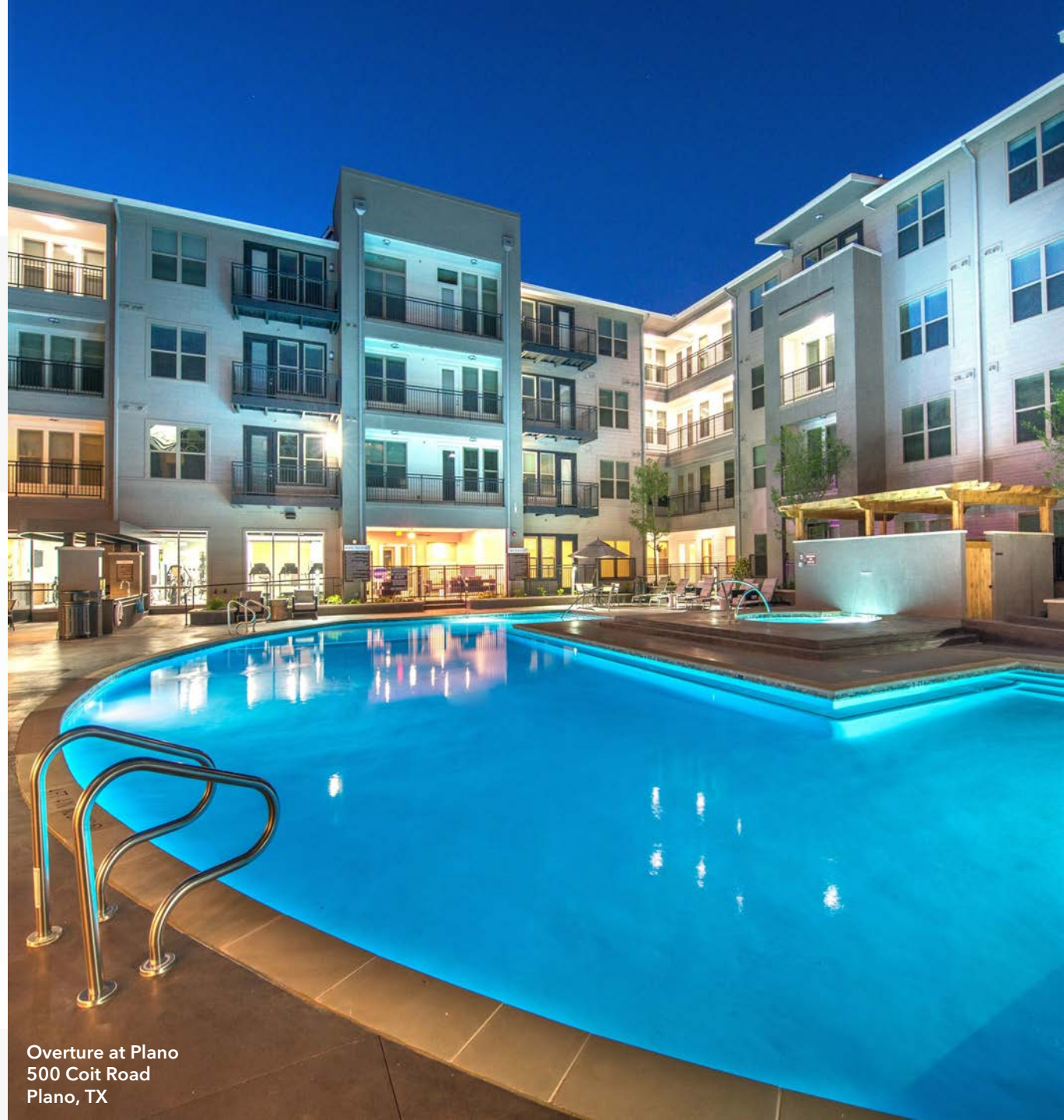




Diversified Healthcare Trust Fourth Quarter 2024 Financial Results and Supplemental Information

February 25, 2025



Overture at Plano
500 Coit Road
Plano, TX

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DHC
Nasdaq Listed

Trading Symbols:

Common Shares: DHC

Senior Unsecured Notes due 2042: DHCNI

Senior Unsecured Notes due 2046: DHCNL

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All amounts in this presentation are unaudited.

Please refer to Non-GAAP Financial Measures and Certain Definitions for terms used throughout this document.

Diversified Healthcare Trust Announces Fourth Quarter 2024 Financial Results



"DHC ended the fourth quarter by reaching 80% SHOP occupancy for the first time since the first quarter of 2020. On a year-over-year basis, DHC achieved a 56% improvement in SHOP NOI, a 7.3% increase in SHOP revenues and a 6.7% improvement in average monthly rate, resulting in margin expansion of 250 basis points. We are pleased with the results achieved and remain bullish on the outlook within the sector and our SHOP portfolio going into 2025.

Over the recent quarters, we have advanced several initiatives to effectively manage our upcoming debt maturities due in 2025 and 2026. These efforts are bolstered by \$340 million in anticipated mortgage loan proceeds primarily from signed term sheets, progress on our disposition strategy, with \$26 million in proceeds from sales of unencumbered assets since October 1st, and \$77 million of potential proceeds from sales of additional unencumbered assets currently under agreements or letters of intent. Furthermore, our cash balance was \$145 million at year end. We have also started to address our January 2026 debt maturities by generating \$159 million in proceeds from the January 2025 sale of MUSE and \$142 million in proceeds from 19 properties which are under agreements to sell and expected to close in the first quarter. These sales represent an expected 25% premium over the allocated fair values of these properties."

Christopher Bilotto, President and Chief Executive Officer

Newton, MA (February 25, 2025): Diversified Healthcare Trust (Nasdaq: DHC) today announced its financial results for the quarter ended December 31, 2024.

Distribution

On January 16, 2025, DHC declared a quarterly distribution on its common shares of \$0.01 per share to shareholders of record as of the close of business on January 27, 2025, and DHC paid this distribution on February 20, 2025.

Conference Call

A conference call to discuss DHC's fourth quarter 2024 financial results will be held on Wednesday, February 26, 2025 at 10:00 a.m. Eastern Time. The conference call may be accessed by dialing (877) 329-4297 or (412) 317-5435 (if calling from outside the United States and Canada); a pass code is not required. A replay will be available for one week by dialing (877) 344-7529; the replay pass code is 8448634. A live audio webcast of the conference call will also be available in a listen-only mode on DHC's website, at www.dhcreit.com. The archived webcast will be available for replay on DHC's website after the call. The transcription, recording and retransmission in any way of DHC's fourth quarter conference call are strictly prohibited without the prior written consent of DHC.

About Diversified Healthcare Trust

DHC is a real estate investment trust, or REIT, focused on owning high-quality healthcare properties located throughout the United States. DHC seeks diversification across the health services spectrum by care delivery and practice type, by scientific research disciplines and by property type and location. As of December 31, 2024, DHC's approximately \$7.2 billion portfolio included 367 properties in 36 states and Washington, D.C., occupied by approximately 450 tenants, and totaling approximately 8.0 million square feet of medical office and life science properties and more than 27,000 senior living units. DHC is managed by The RMR Group (Nasdaq: RMR), a leading U.S. alternative asset management company with over \$40 billion in assets under management as of December 31, 2024 and more than 35 years of institutional experience in buying, selling, financing and operating commercial real estate. DHC is headquartered in Newton, MA. For more information, visit www.dhcreit.com.

Fourth Quarter 2024 Highlights

As of and for the three months ended December 31, 2024, unless otherwise noted

Financial Results

- Net loss of \$87.4 million, or \$0.36 per share.
- Normalized FFO of \$5.3 million, or \$0.02 per share.

Same Property Cash Basis NOI (dollars in thousands)

	For the Three Months Ended				
	December 31, 2024	September 30, 2024	% Change	December 31, 2023	% Change
SHOP	\$ 28,761	\$ 30,685	(6.3)%	\$ 19,843	44.9 %
Medical Office and Life Science Portfolio	27,186	27,570	(1.4)%	27,077	0.4 %
All Other	7,746	6,365	21.7 %	6,724	15.2 %
Consolidated	<u>\$ 63,693</u>	<u>\$ 64,620</u>	<u>(1.4)%</u>	<u>\$ 53,644</u>	<u>18.7 %</u>

Operating Update

- Year over year fourth quarter SHOP occupancy increased 70 basis points to 80.0% and average monthly rates increased by 6.7%, resulting in a 7.3% increase in SHOP revenues.
- Consolidated SHOP NOI increased 56.0% year over year to \$24.9 million, including a margin increase of 250 basis points.
- Leased 111,812 square feet in DHC's Medical Office and Life Science Portfolio at weighted average rents that were 6.9% higher than prior rents for the same space.

Liquidity, Financing and Investing Activities

- Approximately \$149.9 million of cash and cash equivalents and restricted cash.
- As of February 21, 2025, DHC has executed term sheets with various lenders for anticipated aggregate loan proceeds of approximately \$276.0 million and is in active negotiations with an additional lender for expected proceeds of \$64.0 million.
- On February 14, 2025, DHC received a cash dividend from AlerisLife of \$17.0 million.
- In November 2024, DHC used \$60.0 million of cash to partially redeem its then outstanding \$440.0 million senior unsecured notes due June 2025. DHC expects to use its loan proceeds, its proceeds from unencumbered property sales and cash on hand to redeem the remaining \$380.0 million of these outstanding senior notes.
- DHC sold one unencumbered property in November 2024 for \$6.6 million and two additional unencumbered properties in January and February 2025 for an aggregate \$19.7 million. As of February 24, 2025, DHC is under agreements or letters of intent to sell seven unencumbered properties for \$77.5 million.
- In January 2025, DHC sold three of the properties that secure its senior secured notes due 2026 for a sales price of \$159.0 million, excluding closing costs. DHC also has 19 properties that secure these senior notes under agreements to sell for an aggregate sales price of \$142.1 million, excluding closing costs. The net proceeds from these sales will be used to partially redeem these senior secured notes.

Fourth Quarter 2024 Results

(dollars in thousands, except per share data)

For the Three Months Ended								
Financial Results	December 31, 2024		September 30, 2024		% Change	December 31, 2023		% Change
Net loss	\$	(87,446)	\$	(98,689)	11.4 %	\$	(102,564)	14.7 %
Net loss per share	\$	(0.36)	\$	(0.41)	12.2 %	\$	(0.43)	16.3 %
Normalized FFO	\$	5,290	\$	4,026	31.4 %	\$	8,079	(34.5)%
Normalized FFO per share	\$	0.02	\$	0.02	– %	\$	0.03	(33.3)%
Adjusted EBITDAre	\$	67,049	\$	66,817	0.3 %	\$	59,189	13.3 %

As of and For the Three Months Ended					
	December 31, 2024	September 30, 2024	Basis Point Change	December 31, 2023	Basis Point Change
Occupancy					
SHOP	80.0%	79.4%	60	79.3%	70
Medical Office and Life Science Portfolio	82.2%	80.8%	140	86.9%	(470)
Same Property Occupancy					
SHOP	80.9%	80.3%	60	79.9%	100
Medical Office and Life Science Portfolio	90.2%	90.4%	(20)	92.5%	(230)

Key Financial Data

(dollars in thousands, except per share data)

	As of and For the Three Months Ended				
	12/31/2024	9/30/2024	6/30/2024	3/31/2024	12/31/2023
Selected Balance Sheet Data:					
Total gross assets	\$ 7,219,782	\$ 7,395,888	\$ 7,440,385	\$ 7,410,364	\$ 7,466,979
Total assets	\$ 5,137,005	\$ 5,285,196	\$ 5,333,447	\$ 5,348,037	\$ 5,446,136
Total liabilities	\$ 3,178,162	\$ 3,236,792	\$ 3,184,133	\$ 3,099,334	\$ 3,109,245
Total equity	\$ 1,958,843	\$ 2,048,404	\$ 2,149,314	\$ 2,248,703	\$ 2,336,891
Selected Income Statement Data:					
Total revenues	\$ 379,619	\$ 373,640	\$ 371,392	\$ 370,776	\$ 361,535
Net loss	\$ (87,446)	\$ (98,689)	\$ (97,861)	\$ (86,259)	\$ (102,564)
NOI	\$ 64,443	\$ 63,943	\$ 67,327	\$ 63,172	\$ 58,124
Adjusted EBITDAre	\$ 67,049	\$ 66,817	\$ 68,895	\$ 64,060	\$ 59,189
FFO	\$ 11,805	\$ (3,366)	\$ 14,563	\$ 2,588	\$ 5,645
Normalized FFO	\$ 5,290	\$ 4,026	\$ 6,830	\$ 3,523	\$ 8,079
CAD	\$ (16,875)	\$ (12,807)	\$ (5,766)	\$ 2,411	\$ (45,006)
Rolling four quarter CAD	\$ (33,037)	\$ (61,168)	\$ (81,947)	\$ (89,498)	\$ (112,582)
Per Share Data (basic and diluted):					
Net loss	\$ (0.36)	\$ (0.41)	\$ (0.41)	\$ (0.36)	\$ (0.43)
FFO	\$ 0.05	\$ (0.01)	\$ 0.06	\$ 0.01	\$ 0.02
Normalized FFO	\$ 0.02	\$ 0.02	\$ 0.03	\$ 0.01	\$ 0.03
CAD	\$ (0.07)	\$ (0.05)	\$ (0.02)	\$ 0.01	\$ (0.19)
Rolling four quarter CAD	\$ (0.13)	\$ (0.25)	\$ (0.34)	\$ (0.38)	\$ (0.48)
Dividends:					
Annualized dividend declared per common share	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04
Annualized dividend yield (at end of period)	1.7 %	1.0 %	1.3 %	1.6 %	1.1 %
Normalized FFO payout ratio	50.0 %	50.0 %	33.3 %	100.0 %	33.3 %
CAD payout ratio	(14.3)%	(20.0)%	(50.0)%	100.0 %	(5.3)%
Rolling four quarter CAD payout ratio	(30.8)%	(16.0)%	(11.8)%	(10.5)%	(8.3)%



Condensed Consolidated Balance Sheets

(dollars in thousands, except share data)

	December 31, 2024	December 31, 2023
Assets		
Real estate properties:		
Land	\$ 605,973	\$ 652,977
Buildings and improvements	5,817,279	6,165,490
Total real estate properties, gross	6,423,252	6,818,467
Accumulated depreciation	(2,082,777)	(2,020,843)
Total real estate properties, net	4,340,475	4,797,624
Investments in unconsolidated joint ventures	126,859	129,916
Assets of properties held for sale	276,270	9,447
Cash and cash equivalents	144,584	245,939
Restricted cash	5,270	1,022
Equity method investment	24,590	—
Acquired real estate leases and other intangible assets, net	26,300	33,948
Other assets, net	192,657	228,240
Total assets	\$ 5,137,005	\$ 5,446,136
Liabilities and Shareholders' Equity		
Senior secured notes, net	\$ 826,974	\$ 731,211
Senior unsecured notes, net	1,957,319	2,072,618
Secured debt and finance leases, net	126,611	13,020
Liabilities of properties held for sale	6,024	32
Accrued interest	23,092	22,847
Other liabilities	238,142	269,517
Total liabilities	3,178,162	3,109,245
Commitments and contingencies		
Shareholders' equity:		
Common shares of beneficial interest, \$.01 par value: 300,000,000 shares authorized, 241,271,703 and 240,423,898 shares issued and outstanding, respectively	2,413	2,405
Additional paid in capital	4,620,313	4,618,470
Cumulative net income	1,408,023	1,778,278
Cumulative other comprehensive loss	(17)	—
Cumulative distributions	(4,071,889)	(4,062,262)
Total shareholders' equity	1,958,843	2,336,891
Total liabilities and shareholders' equity	\$ 5,137,005	\$ 5,446,136



Consolidated Statements of Income (Loss)

(amounts in thousands, except per share data)

	For the Three Months Ended December 31,		For the Year Ended December 31,	
	2024	2023	2024	2023
Revenues:				
Rental income	\$ 63,883	\$ 67,199	\$ 251,038	\$ 258,400
Residents fees and services	315,736	294,336	1,244,389	1,151,908
Total revenues	379,619	361,535	1,495,427	1,410,308
Expenses:				
Property operating expenses	315,176	303,411	1,236,542	1,174,151
Depreciation and amortization	77,508	83,653	284,957	284,083
General and administrative ⁽¹⁾	(1,245)	6,020	26,518	26,131
Acquisition and certain other transaction related costs	267	1,041	2,510	10,853
Impairment of assets	29,016	—	70,734	18,380
Total expenses	420,722	394,125	1,621,261	1,513,598
Gain (loss) on sale of properties	38	(28)	(18,938)	1,205
Gains on equity securities, net	—	—	—	8,126
Interest and other income	1,735	2,964	8,950	15,536
Interest expense (including net amortization of debt discounts, premiums and issuance costs of \$26,795, \$5,195, \$103,437 and \$11,811, respectively)	(59,518)	(48,853)	(235,239)	(191,775)
Loss on modification or early extinguishment of debt	(115)	(1,393)	(324)	(2,468)
Loss before income taxes and equity in net earnings (losses) of investees	(98,963)	(79,900)	(371,385)	(272,666)
Income tax benefit (expense)	38	(66)	(467)	(445)
Equity in net earnings (losses) of investees	11,479	(22,598)	1,597	(20,461)
Net loss	\$ (87,446)	\$ (102,564)	\$ (370,255)	\$ (293,572)
Weighted average common shares outstanding (basic and diluted)	239,949	239,175	239,535	238,836
Per common share data (basic and diluted):				
Net loss	\$ (0.36)	\$ (0.43)	\$ (1.55)	\$ (1.23)

(1) During the three months ended December 31, 2024, DHC reversed \$6,934 of business management incentive fees. DHC did not recognize a business management incentive fee for the year ended December 31, 2024.

Debt Summary

As of December 31, 2024

(dollars and sq. ft. in thousands)

	Coupon Rate	Interest Rate	Principal Balance	Maturity Date	Due at Maturity	Years to Maturity
Unsecured Fixed Rate Debt:						
Senior unsecured notes due 2025 ^{(1) (2)}	9.750%	9.750%	\$ 380,000	6/15/2025	\$ 380,000	0.5
Senior unsecured notes due 2028	4.750%	4.966%	500,000	2/15/2028	500,000	3.1
Senior unsecured notes due 2031 ⁽²⁾	4.375%	4.375%	500,000	3/1/2031	500,000	6.2
Senior unsecured notes due 2042	5.625%	5.625%	350,000	8/1/2042	350,000	17.6
Senior unsecured notes due 2046	6.250%	6.250%	250,000	2/1/2046	250,000	21.1
Weighted average rate / total unsecured fixed rate debt	5.959%	6.014%	1,980,000		1,980,000	8.2
Secured Fixed Rate Debt:						
Senior secured notes due 2026 ^{(2) (3) (4) (5) (6)}	0.000%	0.000%	940,534	1/15/2026	940,534	1.0
Finance leases - 2 properties	7.700%	7.700%	2,338	4/30/2026	155	1.3
Mortgage - secured by eight properties	6.864%	6.864%	120,000	6/11/2034	120,000	9.4
Mortgage - secured by one property	6.444%	6.444%	7,464	7/6/2043	57	18.5
Weighted average rate / total secured fixed rate debt	0.831%	0.831%	1,070,336		1,060,746	2.1
Weighted average rate / total debt	4.160%	4.195%	\$ 3,050,336		\$ 3,040,746	6.1

(1) DHC has the option to redeem all or a portion of its senior unsecured notes due 2025 at any time at a set redemption price equal to 100% of the principal amount to be redeemed.

(2) As of December 31, 2024, all of DHC's senior unsecured notes due 2025 and senior unsecured notes due 2031 were fully and unconditionally guaranteed, on a joint, several and senior unsecured basis, by all of DHC's subsidiaries except certain excluded subsidiaries, and all of DHC's senior secured notes due 2026 were fully and unconditionally guaranteed, on a joint, several and senior secured basis, by certain of DHC's subsidiaries, and on a joint, several and unsecured basis, by DHC's other subsidiaries, except for certain excluded subsidiaries. The senior secured notes and the related guarantees on a senior secured basis are secured by a first priority lien and security interest in each of the collateral properties and 100% of the equity interests in each of the collateral guarantors. The notes and the guarantees (other than the senior secured notes and the related guarantees on a senior secured basis) are effectively subordinated to all of DHC's and the subsidiary guarantors' secured indebtedness, respectively, to the extent of the value of the applicable collateral, and the notes and the related guarantees are structurally subordinated to all indebtedness and other liabilities and any preferred equity of DHC's subsidiaries that do not guarantee the notes.

(3) No cash interest will accrue on these senior secured notes prior to maturity. The accreted value of these senior secured notes will increase at a rate of 11.25% per annum compounded semiannually on January 15 and July 15 of each year, such that the accreted value will equal the principal amount at maturity.

(4) Summary information of the properties securing these senior notes are as follows as of December 31, 2024:

- Properties: 95 (63 Medical Office/Life Science; 22 triple net leased senior living; 10 triple net leased wellness centers)
- Sq. Ft. / Units: 5,788 sq. ft. / 1,529 units
- Q4 2024 NOI: \$30,733
- Gross book value of real estate assets: \$1,621,446
- Occupancy (Medical Office and Life Science Portfolio): 90.1%
- Rent coverage (triple net senior living and wellness centers): 2.16x
- Weighted average lease term: 6.4 years

(5) In January 2025, DHC sold three of the properties that secure its senior secured notes due 2026 for a sales price of \$159,025, excluding closing costs. The net proceeds from this sale will be used to partially redeem these senior secured notes. DHC has entered into agreements to sell 19 additional properties that secure these senior secured notes for an aggregate sales price of \$142,100, excluding closing costs. DHC is required to use the net proceeds from these sales to partially redeem these senior secured notes. DHC expects these sales to occur during the first quarter of 2025.

(6) DHC has a one-time option to extend the maturity date of these senior secured notes by one year, to January 15, 2027, subject to satisfaction of certain conditions and payment of an extension fee. If DHC exercises this option, interest payments will be due semiannually during the extension period at an initial interest rate of 11.25% with increases of 50 basis points every 90 days these senior secured notes remain outstanding.

Debt Maturity Schedule

As of December 31, 2024

(dollars in thousands)



- (1) Includes \$2,338 of finance lease obligations due through April 2026.
- (2) In January 2025, DHC sold three of the properties that secure its then \$940,534 senior secured notes due 2026 for a sales price of \$159,025, excluding closing costs. The net proceeds from this sale will be used to partially redeem these senior secured notes. DHC has entered into agreements to sell 19 additional properties that secure these senior secured notes for an aggregate sales price of \$142,100, excluding closing costs. DHC is required to use the net proceeds from these sales to partially redeem these senior secured notes. DHC expects these sales to occur during the first quarter of 2025.
- (3) DHC has a one-time option to extend the maturity date of its senior secured notes due 2026 by one year to January 15, 2027, subject to satisfaction of certain conditions and payment of an extension fee. If DHC exercises this option, interest payments will be due semiannually during the extension period at an initial interest rate of 11.25% with increases of 50 basis points every 90 days these senior secured notes remain outstanding.

Leverage Ratios, Coverage Ratios and Bond Covenants

	As of and For the Three Months Ended				
	12/31/2024	9/30/2024	6/30/2024	3/31/2024	12/31/2023
Leverage Ratios:					
Net debt / total gross assets	40.2%	38.6%	38.3%	38.4%	37.6%
Net debt / gross book value of real estate assets	40.5%	39.8%	39.5%	39.5%	38.9%
Secured debt / total assets	20.8%	20.3%	20.1%	17.8%	17.5%
Variable rate debt / net debt	—%	—%	—%	—%	—%
Coverage Ratios:					
Net debt / annualized Adjusted EBITDAre	11.2x	10.6x	10.2x	10.8x	12.3x
Adjusted EBITDAre / interest expense	1.1x	1.1x	1.2x	1.1x	1.2x
	As of and For the Trailing Twelve Months Ended				
	12/31/2024	9/30/2024	6/30/2024	3/31/2024	12/31/2023
Bond Covenants:					
<i>Maintenance Covenant</i>					
Total unencumbered assets / unsecured debt - required minimum 150.0%	262.2%	264.7%	267.5%	271.2%	274.5%
<i>Incurrence Covenants</i>					
Total debt / adjusted total assets - allowable maximum 60.0%	41.7%	41.4%	41.2%	40.6%	40.3%
Secured debt / adjusted total assets - allowable maximum 40.0%	14.6%	14.3%	14.2%	12.7%	12.6%
Consolidated income available for debt service / debt service - required minimum 1.50x	1.95x	1.76x	1.76x	1.64x	1.64x



Summary of Capital Expenditures

(dollars and sq. ft. in thousands, except per sq. ft. and unit data)

	For the Three Months Ended					For the Year Ended	
	12/31/2024	9/30/2024	6/30/2024	3/31/2024	12/31/2023	12/31/2024	12/31/2023
Medical Office and Life Science Portfolio:							
Lease related costs	\$ 5,347	\$ 3,504	\$ 6,409	\$ 6,029	\$ 13,349	\$ 21,289	\$ 38,070
Building improvements	1,872	1,359	1,852	919	5,531	6,002	12,984
Subtotal Medical Office and Life Science Portfolio	7,219	4,863	8,261	6,948	18,880	27,291	51,054
SHOP fixed assets and capital improvements	33,406	27,923	21,623	10,091	32,952	93,043	100,981
Wellness centers lease related costs	3,616	5,488	4,591	6,923	4,928	20,618	9,721
Total recurring capital expenditures	\$ 44,241	\$ 38,274	\$ 34,475	\$ 23,962	\$ 56,760	\$ 140,952	\$ 161,756
Medical Office and Life Science Portfolio avg. sq. ft. during period	8,073	8,294	8,442	8,710	8,710	8,282	8,711
SHOP avg. units managed during period	25,065	25,191	25,225	25,256	25,256	25,093	25,277
Medical Office and Life Science Portfolio building improvements per avg. sq. ft. during period	\$ 0.23	\$ 0.16	\$ 0.22	\$ 0.11	\$ 0.64	\$ 0.72	\$ 1.49
SHOP fixed assets and capital improvements per avg. unit managed during period	\$ 1,333	\$ 1,108	\$ 857	\$ 400	\$ 1,305	\$ 3,708	\$ 3,995
Development, redevelopment and other activities - Medical Office and Life Science Portfolio	\$ 650	\$ 537	\$ 1,112	\$ 713	\$ 120	\$ 3,012	\$ 9,244
Development, redevelopment and other activities - SHOP	27,950	11,714	5,705	1,189	22,559	46,558	82,207
Total development, redevelopment and other activities	\$ 28,600	\$ 12,251	\$ 6,817	\$ 1,902	\$ 22,679	\$ 49,570	\$ 91,451
Capital expenditures by segment:							
Medical Office and Life Science Portfolio	\$ 7,869	\$ 5,400	\$ 9,373	\$ 7,661	\$ 19,000	\$ 30,303	\$ 60,298
SHOP	61,356	39,637	27,328	11,280	55,511	139,601	183,188
Wellness centers	3,616	5,488	4,591	6,923	4,928	20,618	9,721
Total capital expenditures	\$ 72,841	\$ 50,525	\$ 41,292	\$ 25,864	\$ 79,439	\$ 190,522	\$ 253,207

Redevelopment Information

As of December 31, 2024

(dollars in millions)

Medical Office and Life Science Portfolio

DHC does not have any significant ongoing redevelopments as of December 31, 2024.

SHOP

Project	Location	Type of Property	Number of Units ⁽¹⁾	Estimated Project Costs	Total Costs Incurred as of December 31, 2024	Estimated Completion Date
Pueblo Norte Senior Living	Scottsdale, AZ	IL/AL	205	\$ 25.9	\$ 19.1	Q1 2026
Residences of Chevy Chase	Chevy Chase, MD	IL/AL	310	9.3	—	Q1 2026
Other Redevelopments	Various	IL/AL	683	9.0	—	Q3 2026
				<u>\$ 44.2</u>	<u>\$ 19.1</u>	

(1) Reflects units prior to redevelopment.

Property Dispositions Information Since January 1, 2024

(dollars in thousands, except gross sales price per square foot or unit)

Dispositions:

Date Sold	Location	Segment	Number of Properties	Gross Sales Price	Gross Sales Price Per Square Foot or Unit ⁽¹⁾	Occupancy ⁽²⁾
3/28/2024	Phoenix, AZ	Medical Office and Life Science Portfolio	1	\$ 3,600	\$ 28.55	100.0 %
6/3/2024	Irving, TX	Medical Office and Life Science Portfolio	1	4,200	\$ 44.62	0.0 %
7/22/2024	Buffalo Grove, IL	Medical Office and Life Science Portfolio	1	6,175	\$ 95.21	47.9 %
7/31/2024	Eagan, MN	Medical Office and Life Science Portfolio	1	15,100	\$ 107.23	65.4 %
11/1/2024	Overland Park, KS	Medical Office and Life Science Portfolio	1	6,600	\$ 27.57	26.1 %
1/21/2025	Wilmington, DE	SHOP	1	2,900	\$ 28,431	0.0 %
1/31/2025	San Diego, CA	Medical Office and Life Science Portfolio ⁽³⁾	3	159,025	\$ 855.07	49.2 %
2/24/2025	Tempe, AZ	Medical Office and Life Science Portfolio	1	16,800	\$ 204.22	0.0 %
Total Dispositions			10	\$ 214,400		

Under Agreement or Letter of Intent as of February 24, 2025:

Segment	Number of Properties	Estimated Gross Sales Price	Gross Sales Price Per Square Foot or Unit ⁽¹⁾	Occupancy ⁽⁵⁾
Medical Office and Life Science Portfolio ⁽⁴⁾	2	\$ 12,600	\$ 80.27	41.3 %
SHOP	5	68,480	\$ 95,509	80.2 %
All Other ⁽⁴⁾	19	138,500	\$ 142,343	89.3 %
Total Under Agreement or Letter of Intent	26	\$ 219,580		

- (1) Represents gross sales price per square foot for the Medical Office and Life Science Portfolio and gross sales price per unit for both the SHOP and All Other segments.
- (2) Occupancy is presented as of the month end prior to the date of sale for the Medical Office and Life Science Portfolio and for the one month ended prior to the date of sale for the SHOP segment.
- (3) The net proceeds from the sale of these properties are required to be used to partially redeem DHC's senior secured notes due 2026.
- (4) The net proceeds from the sale of 19 of these properties are required to be used to partially redeem DHC's senior secured notes due 2026. DHC expects to sell these properties during the first quarter of 2025 for an aggregate sales price of \$142,100, excluding closing costs.
- (5) Occupancy is presented as of December 31, 2024 for the Medical Office and Life Science Portfolio and All Other properties and for the three months ended December 31, 2024 for DHC's SHOP segment.

Investments in Unconsolidated Joint Ventures ⁽¹⁾

As of December 31, 2024

(dollars in thousands)

Investments in Unconsolidated Joint Ventures

Joint Venture	Location	Type of Property	Number of Properties	Square Feet	Occupancy	Weighted Average Lease Term	DHC Ownership	DHC Carrying Value of Investment	Three Months Ended December 31, 2024	
									Joint Venture FFO	Joint Venture EBITDAre
Seaport Innovation LLC	Boston, MA	Life Science	1	1,134,479	100%	19.2 years	10%	\$ 81,949	\$ 21,296	\$ 26,980
The LSMD Fund REIT LLC	Various	Medical Office / Life Science	10	1,068,763	98%	6.1 years	20%	44,910	2,714	9,087
Total / Weighted Average			11	2,203,242	99%	15.1 years		\$ 126,859	\$ 24,010	\$ 36,067

Unconsolidated Debt

Joint Venture	Secured Debt ⁽²⁾	Coupon Rate	Maturity Date	Principal Balance ⁽³⁾	DHC Ownership	DHC Share of Principal Balance ⁽⁴⁾
Seaport Innovation LLC	Fixed Rate - 1 Property ⁽⁵⁾	3.530%	11/6/2028	\$ 620,000	10%	\$ 62,000
The LSMD Fund REIT LLC	Fixed Rate - 9 Properties	3.457%	2/11/2032	189,800	20%	37,960
The LSMD Fund REIT LLC	Floating Rate - 1 Property ⁽⁶⁾	6.380%	2/9/2025	266,825	20%	53,365
Total / Weighted Average		4.223%		\$ 1,076,625		\$ 153,325

(1) DHC's property list, including properties owned by these unconsolidated joint ventures, is available on DHC's website.

(2) The mortgage loans require interest-only payments until the respective maturity dates.

(3) Reflects the entire balance of the debt secured by the properties. DHC continues to provide certain guarantees on the debt secured by the Seaport Innovation LLC property. The debt secured by The LSMD Fund REIT LLC properties is non-recourse to DHC.

(4) Reflects DHC's proportionate share of the principal debt balances based on its ownership percentage of the joint ventures.

(5) This mortgage loan requires interest only payments until the anticipated repayment date on August 6, 2026, at which time all accrued and unpaid interest along with the principal balance of \$620,000 is expected to be repaid. This mortgage loan matures on November 6, 2028 and any unpaid principal from the anticipated repayment date through the maturity date bears interest at a variable rate of the greater of 6.53% or the then effective U.S. swap rate for the swap terminating on the maturity date plus 5.00%.

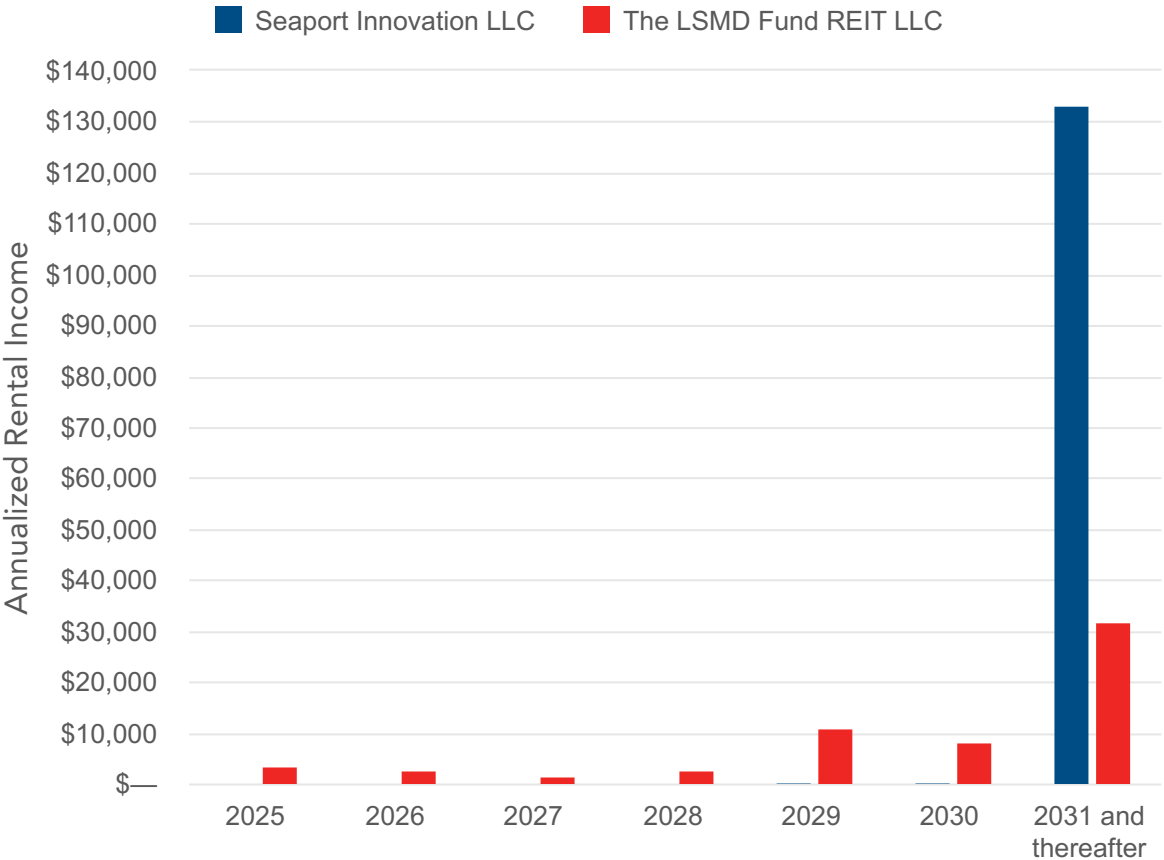
(6) The joint venture has exercised its option to extend the maturity date of this mortgage loan by one year to February 9, 2026, and this mortgage loan requires interest to be paid at SOFR plus a premium of 1.90%. The joint venture has also purchased an interest rate cap through February 2026 with a SOFR strike rate equal to 5.74%. The maturity date of this mortgage loan is subject to one remaining one-year extension option.

Investments in Unconsolidated Joint Ventures (continued)⁽¹⁾

As of December 31, 2024

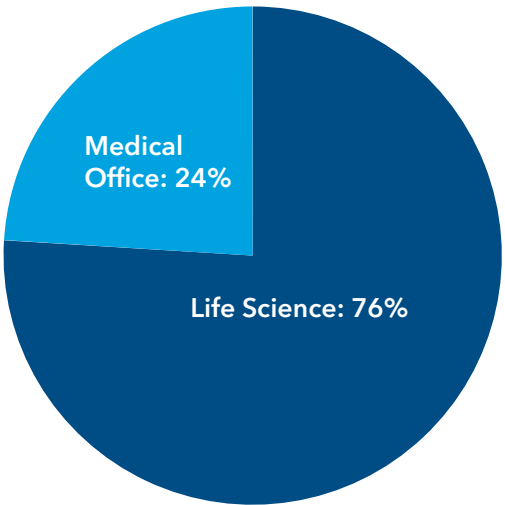
(dollars in thousands)

Unconsolidated Joint Ventures Lease Expiration Schedule

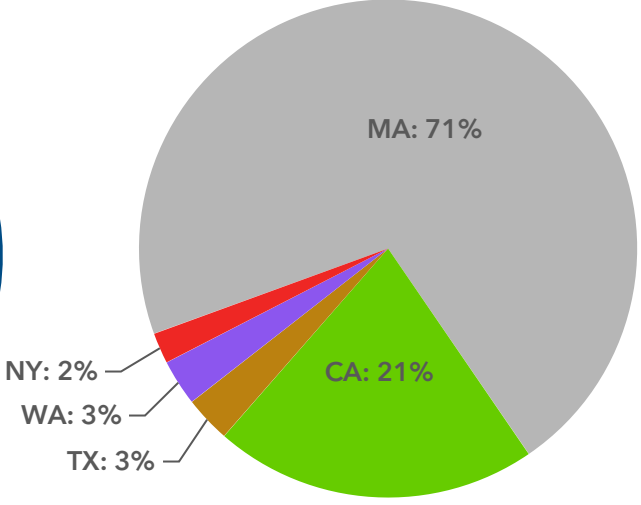


Number of Leases Expiring	17	9	6	12	15	12	31
% of Total Annualized Rental Income Expiring	1.8%	1.4%	0.7 %	1.4%	5.9 %	4.4%	84.4%

Property Type⁽²⁾



Geographic Diversification⁽²⁾



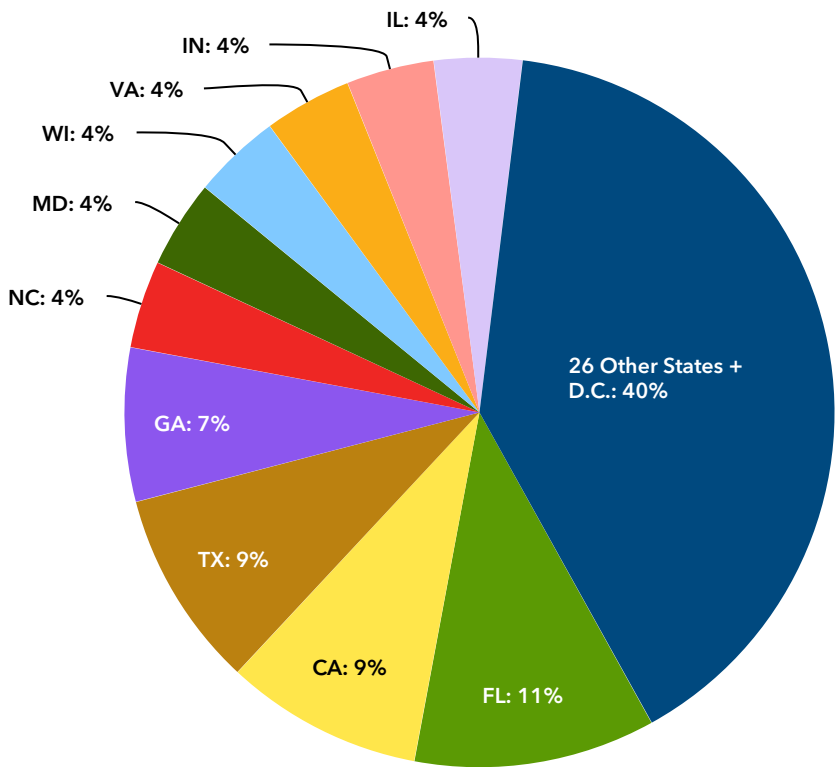
Major Tenants of Unconsolidated Joint Ventures

Joint Venture	Tenant	% of Annualized Rental Income of Joint Ventures ⁽²⁾
Seaport Innovation LLC	Vertex Pharmaceuticals Inc.	67.0%
The LSMD Fund REIT LLC	Cedars-Sinai Medical Center	10.7%
The LSMD Fund REIT LLC	Seattle Genetics, Inc.	2.6%
The LSMD Fund REIT LLC	Complete Genomics, Inc.	1.7%
The LSMD Fund REIT LLC	Stryker Corporation	1.7%

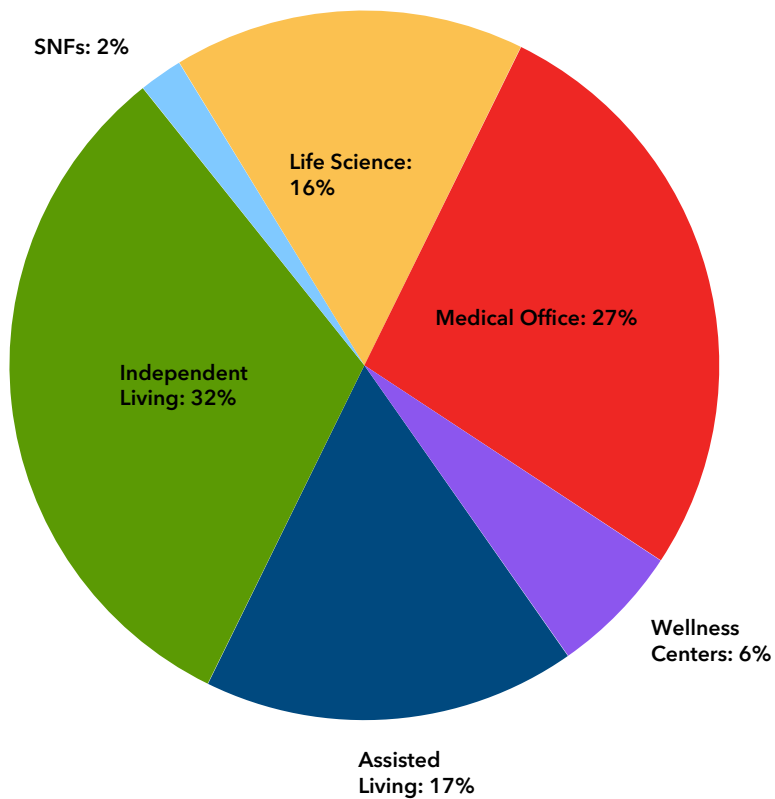
(1) DHC's property list, including properties owned by these unconsolidated joint ventures, is available on DHC's website.
(2) Based on the aggregate annualized rental income of DHC's unconsolidated joint ventures.

Portfolio Summary by Geographic Diversification and Property Type

Geographic Diversification
(based on Gross Book Value of Real Estate Assets as of December 31, 2024)



Property Type^{(1) (2)}
(based on Q4 2024 NOI)



(1) Senior living communities are categorized by the type of living units which constitute a majority of the living units at the community.
(2) Memory care communities are classified as assisted living communities.

Portfolio Summary

As of December 31, 2024

(dollars in thousands, except investment per square foot or unit)

	Number of Properties	Square Feet or Number of Units	Gross Book Value of Real Estate Assets	% of Total Gross Book Value of Real Estate Assets	Investment Per Square Foot or Unit	Q4 2024 Revenues	% of Q4 2024 Total Revenues	Q4 2024 NOI	% of Q4 2024 Total NOI
Medical office	76	5,629,613	\$ 1,397,457	19.5 %	\$ 248	\$ 34,756	9.2 %	\$ 17,349	26.9 %
Life science	22	2,323,098	738,929	10.3 %	\$ 318	16,959	4.4 %	9,982	15.5 %
Subtotal Medical Office and Life Science Portfolio	98	7,952,711 sq. ft.	2,136,386	29.8 %	\$ 269	51,715	13.6 %	27,331	42.4 %
SHOP	232	24,978 units	4,628,144	64.5 %	\$ 185,289	315,736	83.2 %	24,933	38.7 %
Triple net leased senior living communities	27	2,062 units	201,287	2.8 %	\$ 97,617	8,654	2.3 %	8,654	13.4 %
Wellness centers	10	812,246 sq. ft.	208,110	2.9 %	\$ 256	3,514	0.9 %	3,525	5.5 %
Total	367		\$ 7,173,927	100.0 %		\$ 379,619	100.0 %	\$ 64,443	100.0 %

SHOP Units by Operator

Manager	Location	Number of Properties ⁽¹⁾	Unit Count as of December 31, 2024				
			Assisted Living	Independent Living and Active Adult	Memory Care	Skilled Nursing	Total
Five Star Senior Living	Various (28 States)	118	6,311	9,557	1,564	—	17,432
Charter Senior Living	FL/MD/TN/VA/IL/WI	30	1,338	—	421	—	1,759
Oaks-Caravita Senior Care	GA/SC	26	1,061	40	314	—	1,415
Phoenix Senior Living	AL/AR/KY/MO/NC/SC	23	933	147	213	164	1,457
Stellar Senior Living ⁽²⁾	CO/TX/WY	10	—	177	20	897	1,094
Northstar Senior Living	AZ/CA	7	121	—	297	—	418
Navion Senior Solutions	SC	5	213	—	25	—	238
Life Care Services ⁽³⁾	DE	3	73	194	12	238	517
Oaks Senior Living	GA	3	159	—	105	—	264
IntegraCare Senior Living	PA	2	113	—	33	—	146
Omega Senior Living	NE	1	69	—	—	—	69
The RMR Group	TX	1	—	169	—	—	169
Total		229	10,391	10,284	3,004	1,299	24,978
% of Total			41.6%	41.2%	12.0%	5.2%	100%

(1) Excludes three closed senior living communities.

(2) Includes two communities with 200 units (192 SNF units and 8 IL units) classified as held for sale as of December 31, 2024. These communities had NOI of \$0.1 million for the three months ended December 31, 2024.

(3) These communities are classified as held for sale as of December 31, 2024 and had NOI of \$(0.5) million for the three months ended December 31, 2024.

SHOP Segment and Same Property - Results of Operations

CONSOLIDATED RESULTS OF OPERATIONS

(dollars in thousands, except average monthly rate)

	As of and For the Three Months Ended		
	12/31/2024	9/30/2024	12/31/2023
Number of Properties	232	232	232
Number of Units	24,978	25,152	25,209
Occupancy	80.0 %	79.4 %	79.3 %
Average Monthly Rate	\$ 5,249	\$ 5,199	\$ 4,918
Year Over Year Average Monthly Rate % Change	6.7 %		
Residents Fees and Services	\$ 315,736	\$ 312,005	\$ 294,336
Property Operating Expenses	(290,803)	(284,572)	(278,358)
NOI	\$ 24,933	\$ 27,433	\$ 15,978
NOI Margin %	7.9 %	8.8 %	5.4 %
Sequential NOI % Change	(9.1)%		
Year Over Year NOI % Change	56.0 %		

SAME PROPERTY RESULTS OF OPERATIONS ⁽¹⁾

(dollars in thousands, except average monthly rate)

	As of and For the Three Months Ended		
	12/31/2024	9/30/2024	12/31/2023
Number of Properties	208	208	208
Number of Units	23,135	23,135	23,135
Occupancy	80.9 %	80.3 %	79.9 %
Average Monthly Rate	\$ 5,152	\$ 5,111	\$ 4,829
Year Over Year Average Monthly Rate % Change	6.7 %		
Residents Fees and Services	\$ 289,200	\$ 285,659	\$ 268,938
Property Operating Expenses	(260,439)	(254,974)	(249,095)
NOI	\$ 28,761	\$ 30,685	\$ 19,843
NOI Margin %	9.9 %	10.7 %	7.4 %
Sequential NOI % Change	(6.3)%		
Year Over Year NOI % Change	44.9 %		



(1) Same property includes properties classified as same property for the three months ended December 31, 2024 for all periods presented.

SHOP Segment and Same Property- Five Star and Other Operator Managed Communities

Results of Operations



CONSOLIDATED RESULTS OF OPERATIONS

(dollars in thousands, except average monthly rate)

	As of and For the Three Months Ended December 31, 2024			As of and For the Three Months Ended December 31, 2023		
	Five Star Managed Communities	Other Operator Managed Communities	Total SHOP Segment	Five Star Managed Communities	Other Operator Managed Communities	Total SHOP Segment
Number of Properties	118	114	232	119	113	232
Number of Units	17,432	7,546	24,978	17,655	7,554	25,209
Occupancy	80.3 %	79.3 %	80.0 %	79.2 %	79.4 %	79.3 %
Average Monthly Rate	\$ 4,817	\$ 6,250	\$ 5,249	\$ 4,534	\$ 5,819	\$ 4,918
Average Monthly Rate % Change	6.2 %	7.4 %	6.7 %			
Residents Fees and Services	\$ 202,407	\$ 113,329	\$ 315,736	\$ 190,194	\$ 104,142	\$ 294,336
Property Operating Expenses	(180,935)	(109,868)	(290,803)	(173,248)	(105,110)	(278,358)
NOI	<u>\$ 21,472</u>	<u>\$ 3,461</u>	<u>\$ 24,933</u>	<u>\$ 16,946</u>	<u>\$ (968)</u>	<u>\$ 15,978</u>
NOI Margin %	10.6 %	3.1 %	7.9 %	8.9 %	(0.9)%	5.4 %
NOI % Change	26.7 %	457.5 %	56.0 %			

SAME PROPERTY RESULTS OF OPERATIONS ⁽¹⁾

(dollars in thousands, except average monthly rate)

	As of and For the Three Months Ended December 31, 2024			As of and For the Three Months Ended December 31, 2023		
	Five Star Managed Communities	Other Operator Managed Communities	Total SHOP Segment	Five Star Managed Communities	Other Operator Managed Communities	Total SHOP Segment
Number of Properties	116	92	208	116	92	208
Number of Units	17,212	5,923	23,135	17,212	5,923	23,135
Occupancy	80.5 %	81.8 %	80.9 %	79.7 %	80.6 %	79.9 %
Average Monthly Rate	\$ 4,820	\$ 6,099	\$ 5,152	\$ 4,537	\$ 5,670	\$ 4,829
Average Monthly Rate % Change	6.2 %	7.6 %	6.7 %			
Residents Fees and Services	\$ 200,502	\$ 88,698	\$ 289,200	\$ 187,432	\$ 81,506	\$ 268,938
Property Operating Expenses	(177,541)	(82,898)	(260,439)	(169,935)	(79,160)	(249,095)
NOI	<u>\$ 22,961</u>	<u>\$ 5,800</u>	<u>\$ 28,761</u>	<u>\$ 17,497</u>	<u>\$ 2,346</u>	<u>\$ 19,843</u>
NOI Margin %	11.5 %	6.5 %	9.9 %	9.3 %	2.9 %	7.4 %
NOI % Change	31.2 %	147.2 %	44.9 %			

(1) Same property includes properties classified as same property for the three months ended December 31, 2024 for all periods presented.

Senior Living NOI by Manager

(dollars in thousands)

Manager	Number of Properties	Q4 2024 NOI			
		SHOP	Triple Net Leased Senior Living Communities	Total NOI	% of Total Q4 2024 NOI ⁽¹⁾
Five Star Senior Living	118	\$ 21,472	\$ —	\$ 21,472	63.9%
Brookdale Senior Living ⁽²⁾	18	—	4,177	4,177	12.4%
Stellar Senior Living ⁽³⁾	14	772	1,502	2,274	6.8%
Phoenix Senior Living	23	2,231	—	2,231	6.6%
Stratford Retirement	1	—	1,964	1,964	5.8%
Oaks Senior Living	3	1,134	—	1,134	3.4%
Covenant Care	1	—	508	508	1.5%
Navion Senior Solutions	5	489	—	489	1.5%
Charter Senior Living	30	477	—	477	1.4%
Northstar Senior Living	7	466	—	466	1.4%
Remaining ⁽⁴⁾	39	(2,108)	503	(1,605)	(4.7)%
Total	259	\$ 24,933	\$ 8,654	\$ 33,587	100.0%

- (1) Percentage calculated based on total NOI for the three months ended December 31, 2024 for SHOP and triple net leased senior living communities.
- (2) DHC entered into an agreement to sell this portfolio for a sales price of \$135,000, excluding closing costs. DHC expects this sale to close during the first quarter of 2025.
- (3) Includes two communities with 200 units (192 SNF units and 8 IL units) classified as held for sale as of December 31, 2024. These communities had NOI of \$67 for the three months ended December 31, 2024.
- (4) Includes five communities with 517 units classified as held for sale as of December 31, 2024. These five communities had NOI of \$(737) for the three months ended December 31, 2024.

Senior Living Results of Operations by Location

(dollars in thousands, except average monthly rate)

As of and For the Three Months Ended

Markets	Number of Properties	NOI				Occupancy			Average Monthly Rate		
		12/31/2024	%	12/31/2023	Change	12/31/2024	12/31/2023	Basis Point Change	12/31/2024	12/31/2023	Change
Primary	84	\$ 14,413	57.8%	\$ 8,418	71.2 %	79.0%	78.4%	60	\$ 5,392	\$ 5,046	6.9 %
Secondary	63	4,226	16.9%	3,029	39.5 %	78.6%	78.6%	—	\$ 4,939	\$ 4,653	6.1 %
Other	85	6,294	25.3%	4,531	38.9 %	83.1%	81.5%	160	\$ 5,269	\$ 4,928	6.9 %
Total / Average SHOP	232	\$ 24,933	100.0%	\$ 15,978	56.0 %	80.0%	79.3%	70	\$ 5,249	\$ 4,918	6.7 %

Q4 2024 NOI

Core-Based Statistical Areas	Number of Properties	SHOP	Triple Net Leased Senior Living Communities	Total NOI	% of Total Q4 2024 NOI
Phoenix, AZ	5	\$ 356	\$ 2,258	\$ 2,614	7.8%
Miami, FL	10	2,567	—	2,567	7.6%
Washington, DC	6	2,260	—	2,260	6.7%
Indianapolis, IN	4	(71)	1,964	1,893	5.6%
Tampa, FL	2	1,644	—	1,644	4.9%
New York, NY	4	1,474	—	1,474	4.4%
Baltimore, MD	4	1,423	—	1,423	4.2%
Knoxville, TN	4	714	384	1,098	3.3%
San Diego, CA	3	1,067	—	1,067	3.2%
San Antonio, TX	4	1,017	—	1,017	3.0%
Denver, CO	4	888	112	1,000	3.0%
Lexington, KY	2	931	—	931	2.8%
Louisville, KY	1	921	—	921	2.7%
Albuquerque, NM	1	886	—	886	2.6%
Atlanta, GA	14	848	—	848	2.5%
Boston, MA	1	807	—	807	2.4%
Virginia Beach, VA	7	725	—	725	2.2%
Seattle, WA	2	—	689	689	2.1%
Raleigh, NC	2	586	—	586	1.7%
Tucson, AZ	1	554	—	554	1.6%
Remaining	178	5,336	3,247	8,583	25.7%
Total Senior Living	259	\$ 24,933	\$ 8,654	\$ 33,587	100.0%

Medical Office and Life Science Portfolio and Same Property - Results of Operations

CONSOLIDATED RESULTS OF OPERATIONS

(dollars and sq. ft. in thousands)

	As of and For the Three Months Ended		
	12/31/2024	9/30/2024	12/31/2023
Number of Properties	98	99	102
Square Feet	7,953	8,192	8,610
Occupancy	82.2 %	80.8 %	86.9 %
Rental Income	\$ 51,715	\$ 52,901	\$ 55,082
NOI	\$ 27,331	\$ 27,827	\$ 30,355
Cash Basis NOI	\$ 27,579	\$ 27,297	\$ 30,012
NOI Margin %	52.8 %	52.6 %	55.1 %
Cash Basis NOI Margin %	52.9 %	51.9 %	54.6 %
Sequential NOI % Change	(1.8)%		
Sequential Cash Basis NOI % Change	1.0 %		
Year Over Year NOI % Change	(10.0)%		
Year Over Year Cash Basis NOI % Change	(8.1)%		

SAME PROPERTY RESULTS OF OPERATIONS ⁽¹⁾

(dollars and sq. ft. in thousands)

	As of and For the Three Months Ended		
	12/31/2024	9/30/2024	12/31/2023
Number of Properties	87	87	87
Square Feet	6,976	6,976	6,971
Occupancy	90.2 %	90.4 %	92.5 %
Rental Income	\$ 47,594	\$ 49,149	\$ 47,970
NOI	\$ 26,765	\$ 27,915	\$ 27,349
Cash Basis NOI	\$ 27,186	\$ 27,570	\$ 27,077
NOI Margin %	56.2 %	56.8 %	57.0 %
Cash Basis NOI Margin %	56.4 %	56.3 %	56.6 %
Sequential NOI % Change	(4.1)%		
Sequential Cash Basis NOI % Change	(1.4)%		
Year Over Year NOI % Change	(2.1)%		
Year Over Year Cash Basis NOI % Change	0.4 %		



(1) Same property includes properties classified as same property for the three months ended December 31, 2024 for all periods presented.

Medical Office and Life Science Portfolio and Same Property - Results of Operations (continued)

Three Months Ended December 31, 2024 and 2023

CONSOLIDATED RESULTS OF OPERATIONS

(dollars and sq. ft. in thousands)

	As of and For the Three Months Ended December 31, 2024			As of and For the Three Months Ended December 31, 2023		
	Medical Office	Life Science	Total Medical Office and Life Science Portfolio	Medical Office	Life Science	Total Medical Office and Life Science Portfolio
Number of Properties	76	22	98	79	23	102
Square Feet	5,630	2,323	7,953	6,047	2,563	8,610
Occupancy	82.0 %	82.9 %	82.2 %	86.4 %	87.9 %	86.9 %
Rental Income	\$ 34,756	\$ 16,959	\$ 51,715	\$ 37,556	\$ 17,526	\$ 55,082
NOI	\$ 17,349	\$ 9,982	\$ 27,331	\$ 19,700	\$ 10,655	\$ 30,355
Cash Basis NOI	\$ 17,676	\$ 9,903	\$ 27,579	\$ 19,596	\$ 10,416	\$ 30,012
NOI Margin %	49.9 %	58.9 %	52.8 %	52.5 %	60.8 %	55.1 %
Cash Basis NOI Margin %	50.2 %	58.5 %	52.9 %	52.1 %	60.1 %	54.6 %
NOI % Change	(11.9)%	(6.3)%	(10.0)%			
Cash Basis NOI % Change	(9.8)%	(4.9)%	(8.1)%			

SAME PROPERTY RESULTS OF OPERATIONS

(dollars and sq. ft. in thousands)

	As of and For the Three Months Ended December 31, 2024			As of and For the Three Months Ended December 31, 2023		
	Medical Office	Life Science	Total Medical Office and Life Science Portfolio	Medical Office	Life Science	Total Medical Office and Life Science Portfolio
Number of Properties	70	17	87	70	17	87
Square Feet	5,046	1,930	6,976	5,041	1,930	6,971
Occupancy	88.4 %	95.0 %	90.2 %	91.7 %	94.6 %	92.5 %
Rental Income	\$ 33,454	\$ 14,140	\$ 47,594	\$ 34,590	\$ 13,380	\$ 47,970
NOI	\$ 17,907	\$ 8,858	\$ 26,765	\$ 18,893	\$ 8,456	\$ 27,349
Cash Basis NOI	\$ 18,317	\$ 8,869	\$ 27,186	\$ 18,761	\$ 8,316	\$ 27,077
NOI Margin %	53.5 %	62.6 %	56.2 %	54.6 %	63.2 %	57.0 %
Cash Basis NOI Margin %	53.9 %	62.5 %	56.4 %	54.2 %	62.7 %	56.6 %
NOI % Change	(5.2)%	4.8 %	(2.1)%			
Cash Basis NOI % Change	(2.4)%	6.6 %	0.4 %			

Portfolio Leasing Summary ⁽¹⁾

(dollars and sq. ft. in thousands, except per sq. ft. data)

	Medical Office and Life Science Portfolio						Wellness Centers ⁽²⁾	
	As of and For the Three Months Ended					As of and For the Year Ended	As of and For the Three Months Ended	
	12/31/2024	9/30/2024	6/30/2024	3/31/2024	12/31/2023	12/31/2024	3/31/2024	
Properties	98	99	101	102	102	98	10	
Total square feet	7,953	8,192	8,396	8,487	8,610	7,953	812	
Occupancy	82.2 %	80.8 %	81.5 %	82.9 %	86.9 %	82.2 %	100.0 %	
Leasing Activity (sq. ft.):								
New leases	10	28	37	25	37	100	—	
Renewals	102	55	64	76	163	297	130	
Total	112	83	101	101	200	397	130	
% Change in GAAP Rent: ⁽³⁾								
New leases	15.8 %	6.4 %	17.5 %	35.3 %	34.2 %	17.0 %	— %	
Renewals	6.0 %	4.2 %	9.2 %	7.0 %	15.2 %	6.5 %	7.5 %	
Total	6.9 %	4.8 %	12.1 %	11.5 %	18.1 %	8.9 %	7.5 %	
Weighted Average Lease Term (years):								
New leases	5.3	9.0	7.9	6.3	8.8	7.6	—	
Renewals	6.7	6.8	4.2	2.9	6.7	5.1	5.0	
Total	6.5	7.4	5.6	3.6	7.1	5.7	5.0	
Leasing Costs and Concession Commitments:								
New leases	\$ 411	\$ 2,157	\$ 3,302	\$ 1,418	\$ 3,325	\$ 7,288	\$ —	
Renewals	1,671	1,652	822	696	2,634	4,841	—	
Total	\$ 2,082	\$ 3,809	\$ 4,124	\$ 2,114	\$ 5,959	\$ 12,129	\$ —	
Leasing Costs and Concession Commitments per Sq. Ft.:								
New leases	\$ 42.59	\$ 77.08	\$ 89.48	\$ 56.49	\$ 88.60	\$ 73.14	\$ —	
Renewals	\$ 16.36	\$ 30.25	\$ 12.82	\$ 9.18	\$ 16.17	\$ 16.32	\$ —	
Total	\$ 18.62	\$ 46.12	\$ 40.81	\$ 20.95	\$ 29.73	\$ 30.60	\$ —	
Leasing Costs and Concession Commitments per Sq. Ft. per Year:								
New leases	\$ 8.09	\$ 8.58	\$ 11.30	\$ 8.97	\$ 10.08	\$ 9.59	\$ —	
Renewals	\$ 2.46	\$ 4.44	\$ 3.06	\$ 3.16	\$ 2.41	\$ 3.18	\$ —	
Total	\$ 2.86	\$ 6.21	\$ 7.32	\$ 5.88	\$ 4.20	\$ 5.34	\$ —	

- (1) The leasing summary on this page is based on leases entered into during the periods indicated.
- (2) Leasing data is only presented for periods in which there is leasing activity.
- (3) Percent difference in prior rents charged for same space or, in the case of vacant space acquired, market rental rates for similar space in the building at the date of acquisition. Rents include estimated recurring expense reimbursements paid to DHC, exclude lease value amortization and are net of lease concessions.

Tenants Representing 1% Or More of Total Annualized Rental Income

As of December 31, 2024

(dollars in thousands)

Tenant	Type of Property	Annualized Rental Income	% of Annualized Rental Income	Expiration
1 Advocate Aurora Health	Medical office	\$ 16,939	6.8%	2026 - 2031
2 Life Time Athletic	Wellness center	12,285	5.0%	2040 - 2044
3 Brookdale Senior Living, Inc. ⁽¹⁾	Senior living	10,254	4.1%	2032
4 Alamar Biosciences, Inc.	Life science	6,851	2.8%	2034
5 KSQ Therapeutics, Inc.	Life science	5,434	2.2%	2032
6 Merck & Co. Inc. ⁽²⁾	Life science	5,335	2.2%	2033
7 Medtronic, Inc.	Medical office	5,297	2.1%	2027 - 2028
8 Stratford Retirement, LLC	Senior living	5,177	2.1%	2033
9 Sonova Holding AG	Life science	5,085	2.1%	2033
10 Boston Children's Hospital	Medical office	4,809	1.9%	2028
11 Magellan Health Inc.	Medical office	4,688	1.9%	2025
12 Stellar Senior Living, LLC	Senior living	4,659	1.9%	2027
13 Tokio Marine Holdings Inc.	Medical office	4,339	1.7%	2025 - 2033
14 Abbvie Inc.	Life science	3,955	1.6%	2027
15 United Healthcare Services, Inc.	Medical office	3,926	1.6%	2026
16 McKesson Corporation	Medical office	3,823	1.5%	2028 - 2030
17 Hawaii Pacific Health	Medical office	3,803	1.5%	2026 - 2029
18 Revvity, Inc.	Life science	3,681	1.5%	2028
19 HCA Holdings Inc.	Medical office	3,455	1.4%	2025 - 2029
20 New York University	Medical office	3,245	1.3%	2025 - 2028
21 Ultragenyx Pharmaceutical Inc.	Life science	3,107	1.3%	2026
22 Sentara Health	Medical office	3,015	1.2%	2027 - 2032
23 WRA Management, Inc.	Medical office	2,594	1.0%	2025 - 2045
All Other Tenants		122,196	49.3%	2025 - 2043
Total Tenants		<u>\$ 247,952</u>	<u>100.0%</u>	

(1) DHC entered into an agreement to sell this portfolio for a sales price of \$135,000, excluding closing costs. DHC expects this sale to close during the first quarter of 2025.

(2) In January 2025, DHC sold three life science properties, including one leased by this tenant, for a sales price of \$159,025, excluding closing costs.

Medical Office and Life Science Portfolio Lease Expiration Schedule

As of December 31, 2024

(dollars in thousands)

Annualized Rental Income Expiring ⁽¹⁾

Year	Annualized Rental Income Expiring	% of Total Annualized Rental Income Expiring	Cumulative % of Total Annualized Rental Income Expiring
2025	\$ 16,431	7.9%	7.9%
2026	22,215	10.7%	18.6%
2027	22,564	10.8%	29.4%
2028	35,184	16.9%	46.3%
2029	18,770	9.0%	55.3%
2030	10,629	5.1%	60.4%
2031	25,413	12.2%	72.6%
2032	13,849	6.7%	79.3%
2033	20,174	9.7%	89.0%
2034 and thereafter	22,972	11.0%	100.0%
Total	\$ 208,201	100.0%	

Average remaining lease term (weighted by annualized rental income): 5.2 years

Square Feet with Leases Expiring ⁽¹⁾

Year	Leased Square Feet Expiring	% of Total Leased Square Feet Expiring	Cumulative % of Total Leased Square Feet Expiring
2025	574,073	8.8%	8.8%
2026	689,307	10.5%	19.3%
2027	895,918	13.7%	33.0%
2028	1,175,592	18.0%	51.0%
2029	636,587	9.7%	60.7%
2030	375,124	5.7%	66.4%
2031	835,058	12.8%	79.2%
2032	358,303	5.5%	84.7%
2033	416,410	6.4%	91.1%
2034 and thereafter	582,700	8.9%	100.0%
Total	6,539,072	100.0%	



(1) Excludes leases that expired on December 31, 2024.

All Other Lease Expiration Schedule

As of December 31, 2024

(dollars in thousands)

Annualized Rental Income Expiring

Year	Number of Properties	Number of Units or Square Feet	Annualized Rental Income Expiring	% of Total Annualized Rental Income Expiring	Cumulative % of Total Annualized Rental Income Expiring
2025	—	—	\$ —	—%	—%
2026	—	—	—	—%	—%
2027	4	533 units	4,659	11.7%	11.7%
2028	—	—	—	—%	11.7%
2029	1	155 units	547	1.4%	13.1%
2030	5	283 units and 129,600 sq. ft.	5,046	12.7%	25.8%
2031	—	—	—	—%	25.8%
2032	⁽¹⁾ 18	876 units	10,254	25.8%	51.6%
2033	1	215 units	5,177	13.0%	64.6%
2034 and thereafter	7	682,646 sq. ft.	14,068	35.4%	100.0%
Total	⁽²⁾ 36		\$ 39,751	100.0%	

Average remaining lease term (weighted by annualized rental income): 10.0 years

- (1) DHC entered into an agreement to sell this portfolio for a sales price of \$135,000, excluding closing costs. DHC expects this sale to close during the first quarter of 2025.
- (2) Excludes one closed senior living community classified as held for sale as of December 31, 2024.

Company Profile and Research Coverage

The Company:

DHC is a REIT focused on owning high-quality healthcare properties located throughout the United States. DHC seeks diversification across the health services spectrum by care delivery and practice type, by scientific research disciplines and by property type and location. As of December 31, 2024, DHC’s approximately \$7.2 billion portfolio included 367 properties in 36 states and Washington, D.C., occupied by approximately 450 tenants, and totaling approximately 8.0 million square feet of medical office and life science properties and more than 27,000 senior living units.

Management:

DHC is managed by The RMR Group (Nasdaq: RMR). RMR is an alternative asset management company that is focused on commercial real estate and related businesses. RMR primarily provides management services to publicly traded real estate companies, privately held real estate funds and real estate related operating businesses. As of December 31, 2024, RMR had over \$40 billion of real estate assets under management and the combined RMR managed companies had more than \$5 billion of annual revenues, approximately 2,000 properties and over 18,000 employees. DHC believes that being managed by RMR is a competitive advantage for DHC because of RMR’s depth of management and experience in the real estate industry. DHC also believes RMR provides management services to it at costs that are lower than DHC would have to pay for similar quality services if DHC were self-managed.

Equity Research Coverage

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DHC is followed by the equity research analysts and its publicly held debt is rated by the rating agencies listed on this page. Please note that any opinions, estimates or forecasts regarding DHC’s performance made by these analysts or agencies do not represent opinions, forecasts or predictions of DHC or its management. DHC does not by its reference on this page imply its endorsement of or concurrence with any information, conclusions or recommendations provided by any of these analysts or agencies.

Governance Information

Board of Trustees

Christopher J. Bilotto
Managing Trustee

Lisa Harris Jones
Lead Independent Trustee

Dawn K. Neher
Independent Trustee

Jeffrey P. Somers
Independent Trustee

John L. Harrington
Independent Trustee

Phyllis M. Hollis
Independent Trustee

Adam D. Portnoy
Chair of the Board & Managing Trustee

Executive Officers

Christopher J. Bilotto
President and Chief Executive Officer

Anthony Paula
Vice President

Matthew C. Brown
Chief Financial Officer and Treasurer



Five Star Residences of Dayton Place
1950 South Dayton Street
Aurora, CO

Calculation and Reconciliation of NOI and Cash Basis NOI

(dollars in thousands)

	For the Three Months Ended					For the Year Ended	
	12/31/2024	9/30/2024	6/30/2024	3/31/2024	12/31/2023	12/31/2024	12/31/2023
Calculation of NOI and Cash Basis NOI:							
Revenues:							
Rental income	\$ 63,883	\$ 61,635	\$ 62,870	\$ 62,650	\$ 67,199	\$ 251,038	\$ 258,400
Residents fees and services	315,736	312,005	308,522	308,126	294,336	1,244,389	1,151,908
Total revenues	379,619	373,640	371,392	370,776	361,535	1,495,427	1,410,308
Property operating expenses	(315,176)	(309,697)	(304,065)	(307,604)	(303,411)	(1,236,542)	(1,174,151)
NOI	64,443	63,943	67,327	63,172	58,124	258,885	236,157
Non-cash straight line rent adjustments included in rental income	160	(658)	(656)	(291)	(238)	(1,445)	1,095
Lease value amortization included in rental income	22	27	29	28	22	106	(242)
Lease termination fees included in rental income	—	—	—	(203)	(419)	(203)	(3,319)
Non-cash amortization included in property operating expenses	(201)	(199)	(199)	(199)	(201)	(798)	(798)
Cash Basis NOI	\$ 64,424	\$ 63,113	\$ 66,501	\$ 62,507	\$ 57,288	\$ 256,545	\$ 232,893
Reconciliation of Net Loss to NOI and Cash Basis NOI:							
Net loss	\$ (87,446)	\$ (98,689)	\$ (97,861)	\$ (86,259)	\$ (102,564)	\$ (370,255)	\$ (293,572)
Equity in net (earnings) losses of investees	(11,479)	(527)	12,307	(1,898)	22,598	(1,597)	20,461
Income tax (benefit) expense	(38)	148	170	187	66	467	445
Loss on modification or early extinguishment of debt	115	—	209	—	1,393	324	2,468
Interest expense	59,518	59,443	58,702	57,576	48,853	235,239	191,775
Interest and other income	(1,735)	(2,575)	(2,403)	(2,237)	(2,964)	(8,950)	(15,536)
Gains on equity investments, net	—	—	—	—	—	—	(8,126)
(Gain) loss on sale of properties	(38)	(111)	13,213	5,874	28	18,938	(1,205)
Impairment of assets	29,016	23,031	6,545	12,142	—	70,734	18,380
Acquisition and certain other transaction related costs	267	331	1,826	86	1,041	2,510	10,853
General and administrative	(1,245)	13,933	6,262	7,568	6,020	26,518	26,131
Depreciation and amortization	77,508	68,959	68,357	70,133	83,653	284,957	284,083
NOI	64,443	63,943	67,327	63,172	58,124	258,885	236,157
Non-cash straight line rent adjustments included in rental income	160	(658)	(656)	(291)	(238)	(1,445)	1,095
Lease value amortization included in rental income	22	27	29	28	22	106	(242)
Lease termination fees included in rental income	—	—	—	(203)	(419)	(203)	(3,319)
Non-cash amortization included in property operating expenses	(201)	(199)	(199)	(199)	(201)	(798)	(798)
Cash Basis NOI	\$ 64,424	\$ 63,113	\$ 66,501	\$ 62,507	\$ 57,288	\$ 256,545	\$ 232,893

Calculation and Reconciliation of NOI, Cash Basis NOI, Same Property NOI and Same Property Cash Basis NOI by Segment

(dollars in thousands)

Calculation of NOI and Cash Basis NOI:	For the Three Months Ended December 31, 2024				For the Three Months Ended September 30, 2024				For the Three Months Ended December 31, 2023			
	Medical Office and Life Science Portfolio	SHOP	All Other	Total	Medical Office and Life Science Portfolio	SHOP	All Other	Total	Medical Office and Life Science Portfolio	SHOP	All Other	Total
Rental income / residents fees and services	\$ 51,715	\$ 315,736	\$ 12,168	\$ 379,619	\$ 52,901	\$ 312,005	\$ 8,734	\$ 373,640	\$ 55,082	\$ 294,336	\$ 12,117	\$ 361,535
Property operating expenses	(24,384)	(290,803)	11	(315,176)	(25,074)	(284,572)	(51)	(309,697)	(24,727)	(278,358)	(326)	(303,411)
NOI	\$ 27,331	\$ 24,933	\$ 12,179	\$ 64,443	\$ 27,827	\$ 27,433	\$ 8,683	\$ 63,943	\$ 30,355	\$ 15,978	\$ 11,791	\$ 58,124
NOI	\$ 27,331	\$ 24,933	\$ 12,179	\$ 64,443	\$ 27,827	\$ 27,433	\$ 8,683	\$ 63,943	\$ 30,355	\$ 15,978	\$ 11,791	\$ 58,124
Non-cash straight line rent adjustments included in rental income	427	—	(267)	160	(358)	—	(300)	(658)	255	—	(493)	(238)
Lease value amortization included in rental income	22	—	—	22	27	—	—	27	22	—	—	22
Lease termination fees included in rental income	—	—	—	—	—	—	—	—	(419)	—	—	(419)
Non-cash amortization included in property operating expenses	(201)	—	—	(201)	(199)	—	—	(199)	(201)	—	—	(201)
Cash Basis NOI	\$ 27,579	\$ 24,933	\$ 11,912	\$ 64,424	\$ 27,297	\$ 27,433	\$ 8,383	\$ 63,113	\$ 30,012	\$ 15,978	\$ 11,298	\$ 57,288
Reconciliation of NOI to Same Property NOI:												
NOI	\$ 27,331	\$ 24,933	\$ 12,179	\$ 64,443	\$ 27,827	\$ 27,433	\$ 8,683	\$ 63,943	\$ 30,355	\$ 15,978	\$ 11,791	\$ 58,124
NOI of properties not included in same property results	(566)	3,828	(4,175)	(913)	88	3,252	(2,026)	1,314	(3,006)	3,865	(4,593)	(3,734)
Same Property NOI	\$ 26,765	\$ 28,761	\$ 8,004	\$ 63,530	\$ 27,915	\$ 30,685	\$ 6,657	\$ 65,257	\$ 27,349	\$ 19,843	\$ 7,198	\$ 54,390
Reconciliation of Same Property NOI to Same Property Cash Basis NOI:												
Same Property NOI	\$ 26,765	\$ 28,761	\$ 8,004	\$ 63,530	\$ 27,915	\$ 30,685	\$ 6,657	\$ 65,257	\$ 27,349	\$ 19,843	\$ 7,198	\$ 54,390
Non-cash straight line rent adjustments included in rental income	564	—	(258)	306	(207)	—	(292)	(499)	(14)	—	(474)	(488)
Lease value amortization included in rental income	22	—	—	22	27	—	—	27	17	—	—	17
Lease termination fees included in rental income	—	—	—	—	—	—	—	—	(115)	—	—	(115)
Non-cash amortization included in property operating expenses	(165)	—	—	(165)	(165)	—	—	(165)	(160)	—	—	(160)
Same Property Cash Basis NOI	\$ 27,186	\$ 28,761	\$ 7,746	\$ 63,693	\$ 27,570	\$ 30,685	\$ 6,365	\$ 64,620	\$ 27,077	\$ 19,843	\$ 6,724	\$ 53,644

Calculation and Reconciliation of EBITDA, EBITDAre and Adjusted EBITDAre

(dollars in thousands)

	For the Three Months Ended					For the Year Ended	
	12/31/2024	9/30/2024	6/30/2024	3/31/2024	12/31/2023	12/31/2024	12/31/2023
Net loss	\$ (87,446)	\$ (98,689)	\$ (97,861)	\$ (86,259)	\$ (102,564)	\$ (370,255)	\$ (293,572)
Interest expense	59,518	59,443	58,702	57,576	48,853	235,239	191,775
Income tax (benefit) expense	(38)	148	170	187	66	467	445
Depreciation and amortization	77,508	68,959	68,357	70,133	83,653	284,957	284,083
EBITDA	49,542	29,861	29,368	41,637	30,008	150,408	182,731
(Gain) loss on sale of properties	(38)	(111)	13,213	5,874	28	18,938	(1,205)
Impairment of assets	29,016	23,031	6,545	12,142	—	70,734	18,380
Equity in net (earnings) losses of investees	(11,479)	(527)	12,307	(1,898)	22,598	(1,597)	20,461
Share of EBITDAre from unconsolidated joint ventures	4,515	4,117	3,872	3,838	3,781	16,342	15,086
Adjustments to reflect DHC's share of EBITDAre attributable to an equity method investment ⁽¹⁾	1,679	2,222	13,282	1,047	—	18,230	(1,117)
EBITDAre	73,235	58,593	78,587	62,640	56,415	273,055	234,336
General and administrative expense paid in common shares	324	925	940	558	340	2,747	1,840
Business management incentive fees ⁽²⁾	(6,934)	6,934	(849)	849	—	—	—
Acquisition and certain other transaction related costs	267	331	1,826	86	1,041	2,510	10,853
Loss on modification or early extinguishment of debt	115	—	209	—	1,393	324	2,468
Gains on equity securities, net	—	—	—	—	—	—	(8,126)
Adjustments to reflect DHC's share of Adjusted EBITDAre attributable to an equity method investment ⁽¹⁾	42	34	(11,818)	(73)	—	(11,815)	1,455
Adjusted EBITDAre	<u>\$ 67,049</u>	<u>\$ 66,817</u>	<u>\$ 68,895</u>	<u>\$ 64,060</u>	<u>\$ 59,189</u>	<u>\$ 266,821</u>	<u>\$ 242,826</u>

(1) For the three months ended March 31, 2024, represents DHC's 34% pro rata share of AlerisLife's EBITDAre and Adjusted EBITDAre for DHC's period of ownership from February 16, 2024 to March 31, 2024.

(2) During the three months ended December 31, 2024, DHC reversed \$6,934 of business management incentive fees. DHC did not recognize a business management incentive fee for the year ended December 31, 2024.

Calculation and Reconciliation of FFO, Normalized FFO and CAD

(dollars in thousands)

	For the Three Months Ended					For the Year Ended	
	12/31/2024	9/30/2024	6/30/2024	3/31/2024	12/31/2023	12/31/2024	12/31/2023
Net loss	\$ (87,446)	\$ (98,689)	\$ (97,861)	\$ (86,259)	\$ (102,564)	\$ (370,255)	\$ (293,572)
Depreciation and amortization	77,508	68,959	68,357	70,133	83,653	284,957	284,083
(Gain) loss on sale of properties	(38)	(111)	13,213	5,874	28	18,938	(1,205)
Impairment of assets	29,016	23,031	6,545	12,142	—	70,734	18,380
Gains on equity securities, net	—	—	—	—	—	—	(8,126)
Equity in net (earnings) losses of investees	(11,479)	(527)	12,307	(1,898)	22,598	(1,597)	20,461
Share of FFO from unconsolidated joint ventures	2,672	2,273	2,047	2,014	1,930	9,006	7,738
Adjustments to reflect DHC's share of FFO attributable to an equity method investment ⁽¹⁾	1,572	1,698	9,955	582	—	13,807	(1,586)
FFO	11,805	(3,366)	14,563	2,588	5,645	25,590	26,173
Business management incentive fees ⁽¹⁾	(6,934)	6,934	(849)	849	—	—	—
Acquisition and certain other transaction related costs	267	331	1,826	86	1,041	2,510	10,853
Loss on modification or early extinguishment of debt	115	—	209	—	1,393	324	2,468
Adjustments to reflect DHC's share of Normalized FFO attributable to an equity method investment ⁽²⁾	37	127	(8,919)	—	—	(8,755)	1,576
Normalized FFO	\$ 5,290	\$ 4,026	\$ 6,830	\$ 3,523	\$ 8,079	\$ 19,669	\$ 41,070

- (1) During the three months ended December 31, 2024, DHC reversed \$6,934 of business management incentive fees. DHC did not recognize a business management incentive fee for the year ended December 31, 2024.
- (2) For the three months ended March 31, 2024, represents DHC's 34% pro rata share of AlerisLife's FFO and Normalized FFO for DHC's period of ownership from February 16, 2024 to March 31, 2024.

Calculation and Reconciliation of FFO, Normalized FFO and CAD (continued)

(amounts in thousands, except per share data)

	For the Three Months Ended					For the Year Ended	
	12/31/2024	9/30/2024	6/30/2024	3/31/2024	12/31/2023	12/31/2024	12/31/2023
Normalized FFO	\$ 5,290	\$ 4,026	\$ 6,830	\$ 3,523	\$ 8,079	\$ 19,669	\$ 41,070
General and administrative expense paid in common shares	324	925	940	558	340	2,747	1,840
Net amortization of debt discounts, premiums and issuance costs	26,795	26,188	25,591	24,863	5,195	103,437	11,811
Non-cash amortization included in expenses	(944)	(943)	(942)	(943)	(944)	(3,772)	(3,772)
Non-cash straight line rent adjustments included in rental income	160	(658)	(656)	(291)	(238)	(1,445)	1,095
Lease value amortization included in rental income	22	27	29	28	22	106	(242)
Recurring capital expenditures	(44,241)	(38,274)	(34,475)	(23,962)	(56,760)	(140,952)	(161,756)
Share of FFO from unconsolidated joint ventures	(2,672)	(2,273)	(2,047)	(2,014)	(1,930)	(9,006)	(7,738)
Adjustments to reflect DHC's share of FFO and Normalized FFO attributable to an equity method investment ⁽¹⁾	(1,609)	(1,825)	(1,036)	(582)	—	(5,052)	10
Unconsolidated joint venture distributions	—	—	—	1,231	1,230	1,231	5,100
CAD	<u>\$ (16,875)</u>	<u>\$ (12,807)</u>	<u>\$ (5,766)</u>	<u>\$ 2,411</u>	<u>\$ (45,006)</u>	<u>\$ (33,037)</u>	<u>\$ (112,582)</u>
Weighted average common shares outstanding (basic and diluted)	239,949	239,667	239,326	239,193	239,175	239,535	238,836
Per common share data (basic and diluted):							
Net loss	\$ (0.36)	\$ (0.41)	\$ (0.41)	\$ (0.36)	\$ (0.43)	\$ (1.55)	\$ (1.23)
FFO	\$ 0.05	\$ (0.01)	\$ 0.06	\$ 0.01	\$ 0.02	\$ 0.11	\$ 0.11
Normalized FFO	\$ 0.02	\$ 0.02	\$ 0.03	\$ 0.01	\$ 0.03	\$ 0.08	\$ 0.17
CAD	\$ (0.07)	\$ (0.05)	\$ (0.02)	\$ 0.01	\$ (0.19)	\$ (0.14)	\$ (0.47)

(1) For the three months ended March 31, 2024, represents DHC's 34% pro rata share of AlerisLife's FFO and Normalized FFO for DHC's period of ownership from February 16, 2024 to March 31, 2024.

Non-GAAP Financial Measures and Certain Definitions

Non-GAAP Financial Measures

DHC presents certain "non-GAAP financial measures" within the meaning of applicable rules of the Securities and Exchange Commission, or SEC, including net operating income, or NOI, Cash Basis NOI, same property NOI, same property Cash Basis NOI, earnings before interest, income tax, depreciation and amortization, or EBITDA, EBITDA for real estate, or EBITDAre, Adjusted EBITDAre, funds from operations, or FFO, normalized funds from operations, or Normalized FFO, and cash available for distribution, or CAD. These measures do not represent cash generated by operating activities in accordance with GAAP and should not be considered alternatives to net income (loss) as indicators of DHC's operating performance or as measures of DHC's liquidity. These measures should be considered in conjunction with net income (loss) as presented in DHC's consolidated statements of income (loss). DHC considers these non-GAAP measures to be appropriate supplemental measures of operating performance for a REIT, along with net income (loss). DHC believes these measures provide useful information to investors because by excluding the effects of certain historical amounts, such as depreciation and amortization, they may facilitate a comparison of DHC's operating performance between periods and with other REITs and, in the case of NOI, Cash Basis NOI, same property NOI and same property Cash Basis NOI, reflecting only those income and expense items that are generated and incurred at the property level may help both investors and management to understand the operations of DHC's properties.

NOI, Cash Basis NOI, Same Property NOI and Same Property Cash Basis NOI

The calculations of NOI, Cash Basis NOI, same property NOI and same property Cash Basis NOI exclude certain components of net income (loss) in order to provide results that are more closely related to DHC's property level results of operations. DHC calculates NOI, Cash Basis NOI, same property NOI and same property Cash Basis NOI as shown on pages [32](#) and [33](#). DHC defines NOI as income from its real estate less its property operating expenses. NOI excludes depreciation and amortization. DHC defines Cash Basis NOI as NOI excluding non-cash straight line rent adjustments, lease value amortization, lease termination fees, if any, and non-cash amortization included in property operating expenses. DHC calculates same property NOI and same property Cash Basis NOI in the same manner that it calculates the corresponding NOI and Cash Basis NOI amounts, except that it only includes same properties in calculating same property NOI and same property Cash Basis NOI. DHC uses NOI, Cash Basis NOI, same property NOI and same property Cash Basis NOI to evaluate individual and company-wide property level performance. Other real estate companies and REITs may calculate NOI, Cash Basis NOI, same property NOI and same property Cash Basis NOI differently than DHC does.

EBITDA, EBITDAre and Adjusted EBITDAre

DHC calculates EBITDA, EBITDAre and Adjusted EBITDAre as shown on page [34](#). EBITDAre is calculated on the basis defined by the National Association of Real Estate Investment Trusts, or Nareit, which is EBITDA, excluding gains or losses on the sale of properties, equity in net earnings or losses of investees, impairment of real estate assets, if any, and including adjustments to reflect DHC's proportionate share of EBITDAre of DHC's equity method investees, as well as certain other adjustments currently not applicable to DHC. In calculating Adjusted EBITDAre, DHC adjusts for the items shown on page [34](#) and includes business management incentive fees, if any, only in the fourth quarter versus the quarter when they are recognized as an expense in accordance with GAAP due to their quarterly volatility not necessarily being indicative of DHC's core operating performance and the uncertainty as to whether any such business management incentive fees will be payable when all contingencies for determining such fees are known at the end of the calendar year. Other real estate companies and REITs may calculate EBITDA, EBITDAre and Adjusted EBITDAre differently than DHC does.

FFO and Normalized FFO

DHC calculates FFO and Normalized FFO as shown on page [35](#). FFO is calculated on the basis defined by Nareit, which is net income (loss), calculated in accordance with GAAP, excluding any gain or loss on sale of properties, equity in net earnings or losses of investees, loss on impairment of real estate assets, gains or losses on equity securities, net, if any, and including adjustments to reflect DHC's proportionate share of FFO of DHC's equity method investees, plus real estate depreciation and amortization of consolidated properties, as well as certain other adjustments currently not applicable to DHC. In calculating Normalized FFO, DHC adjusts for the items shown on page [35](#), including similar adjustments for DHC's unconsolidated joint ventures, if any, and include business management incentive fees, if any, only in the fourth quarter versus the quarter when they are recognized as an expense in accordance with GAAP due to their quarterly volatility not necessarily being indicative of DHC's core operating performance and the uncertainty as to whether any such business management incentive fees will be payable when all contingencies for determining such fees are known at the end of the calendar year. FFO and Normalized FFO are among the factors considered by DHC's Board of Trustees when determining the amount of distributions to its shareholders. Other factors include, but are not limited to, requirements to maintain DHC's qualification for taxation as a REIT, limitations in the agreements governing DHC's debt, the availability to DHC of debt and equity capital, DHC's expectation of its future capital requirements and operating performance and DHC's expected needs for and availability of cash to pay its obligations. Other real estate companies and REITs may calculate FFO and Normalized FFO differently than DHC does.

Cash Available for Distribution

DHC calculates CAD as shown on page [36](#). DHC defines CAD as Normalized FFO minus DHC's proportionate share of Normalized FFO from unconsolidated joint venture properties and its equity method investment, plus operating cash flow distributions received from DHC's unconsolidated joint ventures and equity method investment, if any, recurring real estate related capital expenditures, adjustments for other non-cash and nonrecurring items, certain amounts excluded from Normalized FFO but settled in cash, as well as certain other adjustments currently not applicable to DHC. CAD is among the factors considered by DHC's Board of Trustees when determining the amount of distributions to DHC's shareholders. Other real estate companies and REITs may calculate CAD differently than DHC does.

Non-GAAP Financial Measures and Certain Definitions (continued)

Adjusted total assets Adjusted total assets is the original cost of real estate assets calculated in accordance with GAAP before depreciation and after impairment write downs, if any, and excludes accounts receivable and intangible assets.

AlerisLife AlerisLife means AlerisLife Inc.

All Other All Other operations consists of triple net leased senior living communities and wellness centers that are leased to third party operators from which DHC receives rents, and any other revenue or expenses that are not attributable to a specific reportable segment.

Annualized dividend yield Annualized dividend yield is the annualized dividend declared during the applicable period divided by the closing price of DHC's common shares at the end of the relevant period.

Annualized rental income Annualized rental income is based on rents pursuant to existing leases as of December 31, 2024. Annualized rental income includes estimated percentage rents, straight line rent adjustments and estimated recurring expense reimbursements for certain net and modified gross leases, and excludes lease value amortization. Amounts of annualized rental income for DHC's medical office and life science properties also exclude 100% of rents pursuant to existing leases as of December 31, 2024 from the medical office and life science properties owned by unconsolidated joint ventures in which DHC owns an equity interest.

Average monthly rate Reflects the average monthly residents fees and services per occupied unit for the period presented. The average monthly rate is calculated based on the actual number of days during the period.

Building improvements Building improvements generally include expenditures to replace obsolete building components that extend the useful life of existing assets or other improvements to increase the marketability of the property.

Business management incentive fees Business management incentive fees are fees under our management agreement with RMR and are payable after the end of each calendar year, are calculated based on common share total return, as defined, compared to returns for the MSCI U.S. REIT/Health Care REIT Index over the applicable measurement period and are included in general and administrative in DHC's consolidated statements of income (loss). In calculating net income (loss) in accordance with GAAP, DHC recognizes estimated business management incentive fee expense, if any, in the first, second and third quarters. Although DHC recognizes this expense, if any, in the first, second and third quarters for the purpose of calculating net income (loss), DHC does not include these amounts in the calculation of Normalized FFO or Adjusted EBITDA until the fourth quarter, when the amount of business management incentive fee expense for the calendar year, if any, is determined.

Cash basis NOI margin % Cash basis NOI margin % is defined as cash basis NOI as a percentage of cash basis rental income. Cash basis rental income excludes non-cash straight line rent adjustments, lease value amortization and lease termination fees, if any.

Consolidated income available for debt service Consolidated income available for debt service is earnings from operations excluding interest expense, depreciation and amortization, taxes, loss on asset impairment, gains or losses on equity securities, gains or losses on sales of properties and modification or early extinguishment of debt, determined together with debt service for the applicable period.

Core-Based Statistical Areas Core-Based Statistical Areas, or CBSAs, are geographic regions that identify areas as either metropolitan or micropolitan or neither. The Office of Management and Budget defined CBSAs in 2000. CBSAs are reclassified in every census using a combination of data and census information.

Coupon rate Coupon rate is the interest rate stated in, or determined pursuant to, the contract terms.

Non-GAAP Financial Measures and Certain Definitions (continued)

Development, redevelopment and other activities Development, redevelopment and other activities generally include capital expenditures that reposition a property or result in new sources of revenue. From time to time DHC invests in revenue producing capital improvements at certain of its triple net leased senior living communities. As a result, annual rents payable to DHC increase pursuant to the terms of the applicable leases. These capital improvements are not included in DHC's development, redevelopment and other activities.

Estimated completion date Estimated completion date can depend on various factors, including when lease agreements are signed with tenants in DHC's Medical Office and Life Science Portfolio. Therefore, the actual completion date may vary.

Estimated project costs Estimated project costs include estimated construction costs and leasing capital up to stabilization.

Five Star Five Star, or Five Star Senior Living, is an operating division of AlerisLife.

Five Star managed communities Five Star managed communities are the senior living communities in DHC's SHOP segment that are managed by Five Star.

GAAP GAAP is U.S. generally accepted accounting principles.

Gross book value of real estate assets Gross book value of real estate assets is real estate assets at cost plus certain acquisition costs, before depreciation and purchase price allocations, less impairment writedowns, if any.

Gross sales price Gross sales price excludes closing costs.

Incurrence covenants Incurrence covenants are financial covenants which DHC is required to comply with in order to incur debt under its senior secured and unsecured notes indentures and their supplements.

Interest rate Interest rate includes the effect of mark to market accounting for certain assumed mortgages and premiums and discounts on certain mortgages and secured and unsecured notes; excludes effects of debt issuance costs.

Investment per square foot or unit Investment per square foot or unit represents gross book value of real estate assets divided by number of rentable square feet or living units, as applicable, at December 31, 2024.

Lease related costs Lease related costs generally include capital expenditures to improve tenants' space or amounts paid directly to tenants to improve their space and leasing related costs, such as brokerage commissions and tenant inducements.

Leasing costs and concession commitments Leasing costs and concession commitments include commitments made for leasing expenditures and concessions, such as tenant improvements, leasing commissions, tenant reimbursements and free rent.

Maintenance covenant DHC's maintenance covenant is a financial covenant which it is required to comply with on a quarterly basis pursuant to the indentures governing DHC's senior secured and unsecured notes.

Net debt Net debt is the total outstanding principal of DHC's debt less cash and cash equivalents.

NOI margin % NOI margin % is defined as NOI as a percentage of rental income or residents fees and services, as appropriate.

Non-GAAP Financial Measures and Certain Definitions (continued)

Occupancy Occupancy for DHC's Medical Office and Life Science Portfolio is presented as of the end of the period shown; occupancy for DHC's SHOP segment is presented for the duration of the period shown. Medical office and life science occupancy data includes (i) out of service assets undergoing redevelopment, (ii) space which is leased but is not occupied or is being offered for sublease by tenants and (iii) space being fitted out for occupancy.

Medical Office and Life Science Portfolio Medical Office and Life Science Portfolio consists of medical office properties leased to medical providers and other medical related businesses, as well as life science properties leased to biotech laboratories and other similar tenants. DHC's medical office and life science property leases include some triple net leases where, in addition to paying fixed rents, the tenants assume the obligation to operate and maintain the properties at their expense, and some net and modified gross leases where DHC is responsible for the operation and maintenance of the properties and DHC charges tenants for some or all of the property operating costs. A small percentage of DHC's medical office and life science property leases are full-service leases where DHC receives fixed rent from its tenants and no reimbursement for its property operating costs.

Other operator managed communities Other operator managed communities are senior living communities in DHC's SHOP segment, which are managed by third party managers other than Five Star.

Primary markets Primary markets are made up of 31 of the largest CBSAs in the United States. Data for primary markets is often presented aggregated.

Principal balance Principal balances are the amounts stated in the contracts less the principal amount of any repayments made. In accordance with GAAP, DHC's carrying values and recorded interest expense may be different because of market conditions at the time DHC assumed certain of these debts.

Rent coverage Rent coverage is calculated using the annualized operating cash flows from DHC's triple net lease tenants' operations of DHC's properties, before subordinated charges, if any, divided by annualized rental income. DHC has not independently verified tenant operating data.

Rolling four quarter CAD Represents CAD for the preceding twelve month period as of the respective quarter end date.

Same Property As of and for the three months ended December 31, 2024, same property consists of properties owned, in service, reported in the same segment and operated by the same operator continuously since October 1, 2023; excludes properties classified as held for sale, closed or out of service, if any, and medical office and life science properties owned by unconsolidated joint ventures in which DHC owns an equity interest.

Secondary markets Secondary markets are made up of 68 large CBSAs in the United States that are not included in the primary markets. Data for secondary markets is often presented aggregated.

SHOP SHOP, or Senior Housing Operating Portfolio, consists of senior living communities managed by third party senior living managers that provide short term and long term residential living and in some cases care and other services for residents where DHC pays fees to the managers to operate the communities. Properties in this segment include independent living communities, assisted living communities, active adult rental communities and SNFs.

SNF SNF is a skilled nursing facility.

SOFR SOFR is the one month term secured overnight financing rate.

Non-GAAP Financial Measures and Certain Definitions (continued)

Square feet Square feet measurements are subject to modest changes when space is periodically remeasured or reconfigured for new tenants. Square feet for prior periods exclude space remeasurements made subsequent to those periods. Excludes data from medical office and life science properties owned by unconsolidated joint ventures in which DHC owns an equity interest.

Total gross assets Total gross assets is total assets plus accumulated depreciation.

Total unencumbered assets Total unencumbered assets is the original cost of real estate assets not encumbered by mortgage debt calculated in accordance with GAAP before depreciation and after impairment write downs, if any, and excludes accounts receivable and intangible assets.

Triple net leased senior living communities Triple net leased senior living communities include independent and assisted living communities and SNFs.

Unit count Unit count is by the type of living units at DHC's senior living communities within its SHOP segment.

Weighted average lease term Weighted average lease term is weighted based on annualized rental income pursuant to existing leases as of December 31, 2024.

Warning Concerning Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other securities laws that are subject to risks and uncertainties. These statements may include words such as “believe”, “expect”, “anticipate”, “intend”, “plan”, “estimate”, “will”, “may” and negatives or derivatives of these or similar expressions. These forward-looking statements include, among others, statements about: the performance of and improvement in DHC’s SHOP segment and DHC’s expectations regarding the outlook within the sector and its SHOP segment; DHC’s ability to effectively manage its upcoming debt maturities due in 2025 and 2026 with initiatives including its \$340 million anticipated mortgage loan proceeds and its pending or potential property dispositions; DHC’s potential exercise of its option to extend the maturity date of its zero coupon senior secured notes; DHC’s ability to continue to fund capital expenditures in accordance with its business plan; and DHC’s redevelopment, repositioning and construction activities and plans.

Forward-looking statements reflect DHC’s current expectations, are based on judgments and assumptions, are inherently uncertain and are subject to risks, uncertainties and other factors, which could cause DHC’s actual results, performance or achievements to differ materially from expected future results, performance or achievements expressed or implied in those forward-looking statements. Some of the risks, uncertainties and other factors that may cause DHC’s actual results, performance or achievements to differ materially from those expressed or implied by forward-looking statements include, but are not limited to, the following: the impact of unfavorable market and commercial real estate industry conditions due to possible reduced demand for healthcare related space and senior living communities, uncertainties surrounding interest rates, wage and commodity price inflation, supply chain disruptions, volatility in the public equity and debt markets, pandemics, geopolitical instability and tensions, economic downturns or a possible recession, labor market conditions or changes in real estate utilization, among other things, on DHC and its managers and other operators and tenants; DHC’s senior living operators’ abilities to successfully and profitably operate the communities they manage for DHC; the continuing impact of changing market practices on DHC and its managers and other operators and tenants, such as delayed recovery of the senior housing industry, reduced demand for leased medical office, life science and other space of DHC and residencies at senior living communities and increased operating costs; the financial strength of DHC’s managers and other operators and tenants; whether the aging U.S. population and increasing life spans of seniors will increase the demand for senior living communities and other medical and healthcare related properties and healthcare services; whether DHC’s tenants will renew or extend their leases or whether DHC will obtain replacement tenants on terms as favorable to DHC as its prior leases; the likelihood that DHC’s tenants and residents will pay rent or be negatively impacted by continuing unfavorable market and commercial real estate industry conditions; DHC’s managers’ abilities to increase or maintain rates charged to residents of DHC’s senior living communities and manage operating costs for those communities; DHC’s ability to increase or maintain occupancy at its properties on terms desirable to DHC; DHC’s ability to increase rents when its leases expire or renew; costs DHC incurs and concessions it grants to lease its properties; risk and uncertainties regarding the costs and timing of development, redevelopment and repositioning activities, including as a result of prolonged high inflation, cost overruns, supply chain challenges, labor shortages, construction delays or inability to obtain necessary permits or volatility in the commercial real estate markets; DHC’s ability to manage its capital expenditures and other operating costs effectively and to maintain and enhance its properties and their appeal to tenants and residents; DHC’s ability to effectively raise and balance its use of debt and equity capital; DHC’s ability to comply with the financial covenants under its debt agreements; DHC’s ability to make required payments on its debt; DHC’s ability to maintain sufficient liquidity and otherwise manage leverage; DHC’s credit ratings; DHC’s ability to sell properties at prices or returns it targets, and the timing of such sales; DHC’s ability to sell additional equity interests in, or contribute additional properties to, its existing joint ventures, or enter into additional real estate joint ventures or to attract co-venturers and benefit from DHC’s existing joint ventures or any real estate joint ventures it may enter into; DHC’s ability to acquire, develop, redevelop or reposition properties that realize its targeted returns; DHC’s ability to pay distributions to its shareholders and to maintain or increase the amount of such distributions; the ability of RMR to successfully manage DHC; competition in the real estate industry, particularly in those markets in which DHC’s properties are located; government regulations affecting Medicare and Medicaid reimbursement rates and operational requirements; compliance with, and changes to, federal, state and local laws and regulations, accounting rules, tax laws and similar matters; exposure to litigation and regulatory and government proceedings due to the nature of the senior living and other health and wellness related service businesses; actual and potential conflicts of interest with DHC’s related parties, including DHC’s Managing Trustees, RMR, ABP Trust, AlerisLife and others affiliated with them; limitations imposed by and DHC’s ability to satisfy complex rules to maintain DHC’s qualification for taxation as a REIT for U.S. federal income tax purposes; acts of terrorism, outbreaks of pandemics or other public health safety events or conditions, war or other hostilities, global climate change or other manmade or natural disasters beyond DHC’s control; and other matters.

These risks, uncertainties and other factors are not exhaustive and should be read in conjunction with other cautionary statements that are included in DHC’s periodic filings. The information contained in DHC’s filings with the SEC, including under the caption “Risk Factors” in its periodic reports, or incorporated therein, identifies important factors that could cause differences from the forward-looking statements in this presentation. DHC’s filings with the SEC are available on the SEC’s website at www.sec.gov. You should not place undue reliance upon DHC’s forward-looking statements. Except as required by law, DHC does not intend to update or change any forward-looking statements as a result of new information, future events or otherwise.